

EXHIBIT PP

to the Declaration of
Lisa J. Cisneros in Support of
Plaintiffs' Opposition Briefs

12 VIDEOTAPED DEPOSITION OF MASON STUBBLEFIELD
13 ATTORNEYS' EYES ONLY
14 Friday, March 29, 2013

24 Reported By:

KATHLEEN WILKINS, CSR #10068, RPR-RMR-CRR-CCRR-CLR

10:22:47 1 that same area, did your duties change?

10:22:51 2 A. Duties didn't change as much, again, as

10:22:53 3 much as the expectations of me as an individual

10:22:55 4 changed, but the basic scope of responsibility was

10:22:58 5 still fairly similar.

10:23:01 6 Q. And how about now as VP of rewards?

10:23:04 7 A. The transitioning back from an HR

10:23:07 8 business partner role into the rewards role, the

10:23:10 9 scope of the job is different, the role is

10:23:11 10 different. So I now have responsibility for

10:23:14 11 everything end to end in compensation and benefits

10:23:16 12 for the company.

10:23:27 13 Q. And when you were starting at the

10:23:29 14 company, did you report to Mr. Grenier?

10:23:34 15 A. Yes, I did. When I first started, I

10:23:35 16 reported to Jim Grenier.

10:23:38 17 Q. At some point along the way, did that

10:23:40 18 change?

10:23:40 19 A. It did. When I moved to the HR business

10:23:43 20 partner role, I moved from reporting to him to

10:23:45 21 reporting to someone else.

10:23:48 22 Q. And to whom did you report then?

10:23:50 23 A. Jennifer Hall.

10:23:58 24 Q. And did you continue to report to

10:23:59 25 Ms. Hall when you became a vice president?

10:24:02 1 A. No. Actually, prior to that point, the
10:24:04 2 roles that I had shifted some, and I started to
10:24:08 3 report to Sherry Whiteley.
10:24:16 4 Q. And did you report to Ms. Whiteley until
10:24:19 5 you went back to the VP rewards job?
10:24:22 6 A. I still report to her today.
10:24:24 7 Q. Okay.
10:24:24 8 A. So since 2009 I've reported directly to
10:24:27 9 her.
10:24:43 10 Q. When your job changed a bit in the first
10:24:46 11 year and you took on more responsibility,
10:24:48 12 including base compensation, bonus, et cetera,
10:24:53 13 tell me what was involved in -- start with the
10:24:56 14 base compensation work.
10:24:59 15 A. So I'd say it's fairly broad from a base
10:25:02 16 compensation perspective. It's something we think
10:25:04 17 of as job architecture. So the job codes that we
10:25:07 18 use, the job titles that we use, the structure
10:25:09 19 behind that job system that we have really around
10:25:12 20 job codes, job families. And so helping structure
10:25:15 21 that, set that up. The connections from that into
10:25:18 22 the market data and how we provide market
10:25:20 23 reference data to the organization to assist with
10:25:22 24 making compensation decisions; the extension of
10:25:26 25 that into the annual talent and pay process, the

10:25:29 1 merit decisions, performance decisions and
10:25:33 2 managing that process across the company.
10:25:35 3 It included a broader scope around the
10:25:38 4 company-wide bonus program that we call IPI. The
10:25:42 5 forecasting, the management of that process and
10:25:44 6 the decision process we're at each year. More
10:25:48 7 responsibility around our year-end process with
10:25:51 8 the things we think of as the annual focal process
10:25:53 9 or the talent and pay review. So supporting that
10:25:56 10 process and how it rolls up at a company level.
10:26:04 11 And at some point along the way I did take on
10:26:07 12 responsibility for the retirement program, the
10:26:08 13 401(k) program.

10:26:17 14 Q. What was involved in the job
10:26:19 15 architecture work?

10:26:21 16 A. It's basically setting up some structure
10:26:24 17 behind job codes and job families, job levels that
10:26:28 18 we use to identify the roles that exist across the
10:26:31 19 organization, helping -- it's a tool that helps
10:26:35 20 leaders with the different -- kind of different
10:26:37 21 levels or different roles that exist inside of
10:26:39 22 their teams and how we can take those and connect
10:26:41 23 them out to the marketplace in roles that exist.
10:26:44 24 It helps with job expectations a little bit from a
10:26:47 25 performance management perspective and the core

10:26:49 1 things that would be expected in a job.

10:26:53 2 Q. And what was your understanding of why

10:26:55 3 you were doing that work at that time?

10:26:57 4 A. A necessary infrastructure to run a

10:27:01 5 business.

10:27:04 6 Q. Was one of the goals of creating job

10:27:07 7 codes and job families to ensure that people with

10:27:11 8 similar competencies got slotted into the right

10:27:14 9 levels?

10:27:17 10 A. From a leveling perspective, I'd say yes

10:27:19 11 in that we were building to some things that got

10:27:23 12 to consistency in how we level jobs relative to

10:27:26 13 the marketplace, and some consistency of levels

10:27:28 14 that we use across the organization from a job

10:27:31 15 scope perspective.

10:27:35 16 Q. Did that job architecture work that was

10:27:38 17 part of your base compensation duty change during

10:27:43 18 the time that you were working in the total

10:27:48 19 rewards area prior to the present?

10:27:52 20 A. Not significantly, no.

10:28:01 21 Q. And you mentioned that part of what you

10:28:02 22 were doing in creating these job codes and job

10:28:05 23 families was also connecting that to market data.

10:28:08 24 Can you explain what that was about?

10:28:10 25 A. Yes. We use market reference data as

10:28:13 1 one of the tools to help aid decisions around how
10:28:19 2 we compensate employees. So part of what we were
10:28:20 3 doing was putting levels in place that were
10:28:22 4 consistent or connected, not necessarily
10:28:25 5 completely consistent, but connected to levels
10:28:28 6 that are used in some of the surveys that exist in
10:28:31 7 the marketplace as a way for us to collect market
10:28:33 8 information on how other companies pay similar
10:28:35 9 types of roles, similar levels of roles.

10:28:38 10 Q. And do you recall in the 2005 era what
10:28:41 11 types of market survey information you were
10:28:43 12 collecting?

10:28:44 13 A. The pri- -- the primary survey that we
10:28:47 14 use is through Radford, and that's been the one
10:28:50 15 that we've used historically.

10:28:53 16 Q. And what type of information do you get
10:28:55 17 from Radford?

10:28:58 18 A. We get cash compensation information
10:28:59 19 from them. And so we get information that gives
10:29:02 20 us general data on how other companies pay and
10:29:05 21 base salary and what their typical incentive
10:29:09 22 targets are and what their typical actual
10:29:11 23 incentives are. It also gives us some information
10:29:14 24 around equity value that would be provided for
10:29:16 25 different levels of jobs.

10:29:19 1 Q. And is there a certain set of Radford
10:29:25 2 data that is particularly of interest to Intuit,
10:29:27 3 either by industry or type of worker?
10:29:31 4 A. So historically, we've looked just at
10:29:34 5 the general survey data from Radford. And so
10:29:37 6 we've not done selected market cuts or pulled
10:29:39 7 specific companies out of the data; we just look
10:29:41 8 at their general data. We look at it on a
10:29:44 9 geographic basis because we operate in so many
10:29:46 10 different locations around the country, and there
10:29:48 11 is a lot of variation of pay across the country.
10:29:50 12 So we'll use that as a piece of data to help us in
10:29:53 13 making decisions or references for decisions in
10:29:56 14 other locations. But we don't use a select
10:29:59 15 company cut.
10:30:00 16 Q. Is one of the categories of information
10:30:02 17 that would be on the Radford data software
10:30:04 18 engineer from this part of the country?
10:30:08 19 A. Yes. So we were -- you asked the
10:30:10 20 question about worker types. And so we are
10:30:12 21 looking at jobs that we have inside the
10:30:14 22 organization. And so a software engineer would be
10:30:16 23 an example of a job where we would want that data
10:30:19 24 or we would look at that data. We're not real
10:30:21 25 interested in the data on a chip designer because

10:30:25 1 it's not work that we do.

10:30:27 2 Q. Okay. Do you have a sense of what

10:30:32 3 the -- the key jobs are for you to get market data

10:30:37 4 on?

10:30:39 5 A. We tried to benchmark every job that we

10:30:42 6 can, and so we're able to benchmark about

10:30:45 7 80 percent of our jobs today. So I'm not sure I

10:30:47 8 would describe it as key jobs as much as it is

10:30:50 9 having representative data that helps us in making

10:30:53 10 decisions across the broad organization.

10:30:58 11 Q. And why do you try to benchmark these

10:30:59 12 jobs to the market?

10:31:02 13 A. Be able to pay competitively.

10:31:12 14 Q. Is there a process by which you or

10:31:15 15 others that you were aware of in the organization

10:31:17 16 in that 2005/2009 time period would review market

10:31:23 17 data to determine whether there should be salary

10:31:26 18 adjustments because the market was changing for

10:31:28 19 certain jobs?

10:31:29 20 A. Sure. We would look at the data as a --

10:31:32 21 you know, as one reference point for us in knowing

10:31:35 22 how fast the market is moving and how much things

10:31:37 23 are changing in the market and use that as an

10:31:40 24 indication of what -- a piece of data or something

10:31:42 25 that may help us in determining what our merit

10:31:45 1 budgets should be or if we needed to make
10:31:47 2 additional adjustments.

10:31:48 3 Q. And would you do that ever at looking at
10:31:50 4 specific jobs as opposed to overall merit
10:31:55 5 increases the companies were doing?

10:31:57 6 A. I'd say yes, we would look at both. So
10:31:59 7 we would look to see if things were moving faster
10:32:01 8 in any specific space than others just so we were
10:32:05 9 aware of what was happening to see if it might
10:32:08 10 cause us to want -- prompt a need to do something
10:32:10 11 different with a budget for some part of the
10:32:13 12 organization.

10:32:13 13 Q. And how often a basis would that review
10:32:15 14 be taken?

10:32:16 15 A. Usually once a year, that formal review.
10:32:20 16 The survey data gets updated throughout the year.
10:32:23 17 It's not useful to go look at it all the time
10:32:25 18 because it's not going to change as much.

10:32:28 19 Q. And tell me about that review process.
10:32:29 20 Put a time period on it. Let's say 2005 or 2006,
10:32:38 21 who would have been involved in doing that type of
10:32:41 22 review looking at market data and determining
10:32:42 23 whether there should be some changes in Intuit's
10:32:45 24 compensation?

10:32:47 25 A. It would have been myself as well as

10:32:49 1 some others as members of the compensation team.

10:32:55 2 Q. And in the 2005 period, who was part of

10:32:58 3 that compensation team doing that type of review?

10:33:01 4 A. If I go back to 2005, it was primarily

10:33:03 5 myself doing that type of review and a gentleman

10:33:05 6 named Paul Reichow.

10:33:10 7 Q. And did that -- did the composition of

10:33:13 8 that team change over time?

10:33:15 9 A. Yes.

10:33:15 10 Q. And how did it change?

10:33:16 11 A. Paul left the organization at some

10:33:19 12 point. Actually, if I think back too, there was

10:33:23 13 one other person called Deborah Morley who was

10:33:27 14 involved in some of the work then. People moved

10:33:29 15 into different roles and changed responsibilities,

10:33:31 16 changed roles. We brought other people into the

10:33:34 17 team. And so over a period of years, the team

10:33:36 18 would have evolved in some way.

10:33:37 19 Q. And going that forward to '06, '07, '08,

10:33:40 20 did the team grow or were there additional people

10:33:43 21 added?

10:33:44 22 A. Additional people, different people in

10:33:45 23 the team.

10:33:46 24 Q. Do you remember some names from that

10:33:47 25 era?

10:33:48 1 A. Sure.

10:33:52 2 Think a second. So I don't remember the

10:34:00 3 exact years on all of the time frames. So

10:34:03 4 there's -- one person who came into the team and

10:34:06 5 had some involvement in this was Melissa Sheffer,

10:34:09 6 and Carmen Mendez. There's one other one. It's

10:34:22 7 terrible. I'm remembering the first name but not

10:34:25 8 remembering the last name.

10:34:25 9 Q. What's the first name?

10:34:27 10 A. It's been awhile back. Patty.

10:34:28 11 Patricia. I don't remember the last name.

10:34:31 12 Q. It's completely natural that that

10:34:32 13 happens. And if you remember something later on

10:34:34 14 in the day to clear up a question that was hard to

10:34:36 15 answer earlier, it's fine to say "I now remember."

10:34:40 16 A. I'm sure I will think about it until I

10:34:42 17 remember it then.

10:34:43 18 Q. No problem.

10:34:44 19 During the time period that you were

10:34:46 20 actively involved in reviewing market data and

10:34:49 21 considering whether that should influence changes

10:34:50 22 in Intuit's compensation, was that the 2005/2008

10:34:57 23 period?

10:35:01 24 A. If I understand your question, I think

10:35:01 25 yes.

10:35:04 1 Q. Let me back up. Asked a poor question.

10:35:06 2 So there was a period of time when you

10:35:07 3 were involved in the compensation group that was

10:35:09 4 looking at market data and determining whether, on

10:35:12 5 a company basis or for a certain positions, there

10:35:16 6 should be a change in the compensation?

10:35:17 7 MR. KIERNAN: Hang on. Object to form.

10:35:20 8 BY MS. DERMODY:

10:35:20 9 Q. Is that correct?

10:35:22 10 A. So I --

10:35:22 11 MR. KIERNAN: Object to form. Just so I

10:35:24 12 can get -- there were two questions, so let me get

10:35:26 13 it --

10:35:27 14 MS. DERMODY: Sure.

10:35:28 15 MR. KIERNAN: Yeah.

10:35:28 16 THE WITNESS: Okay. So if I understand

10:35:31 17 your question, so during that time period, I had

10:35:34 18 responsibility for making a recommendation on what

10:35:37 19 the company's merit budget was. Using -- we did

10:35:42 20 look at market data. We looked at changes in the

10:35:44 21 market as a reference to that. But the primary

10:35:47 22 guide that we used was what we thought was

10:35:50 23 appropriate inside the company based on what our

10:35:52 24 demands and needs were for talent.

10:35:54 25 And so it was a piece of data that we

10:35:56 1 use, but it didn't really drive the decision as
10:35:58 2 much as other factors did.

10:36:00 3 BY MS. DERMODY:

10:36:01 4 Q. Okay. And if you determined that you
10:36:01 5 weren't competitive in the market, would that
10:36:04 6 influence a decision to increase salaries in a
10:36:05 7 certain area?

10:36:07 8 MR. KIERNAN: Object to form.

10:36:09 9 THE WITNESS: The primary base -- we
10:36:13 10 hit -- during that time period, our merit budget
10:36:15 11 was relatively consistent year to year. In most
10:36:17 12 years it was 3 to 4 percent. And primarily we
10:36:20 13 looked at affordability for the company; we looked
10:36:23 14 at what was happening outside; we had a consistent
10:36:25 15 budget each year. We actually had a consistent
10:36:28 16 budget in a number of years where we actually
10:36:29 17 would have seen things in the market either being
10:36:32 18 stagnant or flat, we continued to have increases.
10:36:34 19 And it was more based on what we felt was an
10:36:35 20 appropriate thing to do inside. It was not
10:36:37 21 because we felt like we were paying below market.
10:36:37 22 We actually had a fairly strong belief that we
10:36:41 23 were paying really strongly against market based
10:36:44 24 on the comparisons of data.

10:36:46 25 BY MS. DERMODY:

10:36:46 1 Q. But wasn't one of reasons you looked at
10:36:47 2 that market information to stay competitive with
10:36:50 3 your salaries? Is that right?
10:36:51 4 A. Yes. We did use the data as a
10:36:53 5 competitive reference.
10:36:54 6 Q. Right.
10:36:55 7 And so if you observed that there were
10:36:56 8 certain positions where you had somehow fallen
10:36:59 9 below whatever level you thought was competitive
10:37:01 10 in the market, that would influence your decision
10:37:03 11 to increase salaries in that area; isn't that
10:37:05 12 correct?
10:37:06 13 MR. KIERNAN: Object to form.
10:37:10 14 THE WITNESS: We'd use the data as a
10:37:11 15 reference from a competitive perspective and we --
10:37:13 16 we had consistent merit budgets. We didn't find
10:37:17 17 any data that said we needed to make any changes
10:37:19 18 to do anything specific for an individual group
10:37:22 19 during that time period.
10:37:22 20 BY MS. DERMODY:
10:37:22 21 Q. And was the reason you looked at the
10:37:24 22 data was to identify if you had to make those
10:37:26 23 changes?
10:37:29 24 MR. KIERNAN: Object to form.
10:37:32 25 THE WITNESS: The --

10:37:34 1 MR. KIERNAN: Just so I can clarify, the
10:37:35 2 reason I keep saying that is I don't know when
10:37:37 3 you're saying "you" if you mean he personally or
10:37:40 4 Intuit in general.

10:37:41 5 MS. DERMODY: Sure. Fair enough.

10:37:43 6 Q. I'm asking you in your role on this
10:37:46 7 compensation group.

10:37:50 8 A. We use the data as a reference tool. We
10:37:53 9 used other elements of data as reference tools as
10:37:55 10 well. And so, yes, that would be -- part of the
10:37:59 11 reason was to see how fast things were changing in
10:38:01 12 the market, how much things were moving in the
10:38:04 13 market.

10:38:04 14 Primarily, the use of the data was to
10:38:06 15 help our managers have another reference point on
10:38:08 16 how they are compensating employees. So they make
10:38:11 17 the compensation decisions. It's in their
10:38:13 18 discretion to choose how they want to pay. We use
10:38:16 19 it as a reference point to help them. We are
10:38:18 20 mostly giving them the data to give them an update
10:38:21 21 and say here's what current data looks like.

10:38:24 22 Then, yes, if we had seen huge changes
10:38:25 23 or dramatic changes in some ways, that might have
10:38:28 24 prompted us to make some decisions. We didn't
10:38:30 25 find that -- I don't recall finding that during

10:38:31 1 that time period. We had very consistent merit
10:38:34 2 budgets during that time period.

10:38:41 3 Q. When you moved to the HR business
10:38:46 4 partner role, was there another group of people
10:38:49 5 that were continuing to use the market data and
10:38:52 6 perform the same tasks you were then performing?

10:38:56 7 A. Yes. The -- there were others who took
10:38:58 8 on -- there was others who took on the roles and
10:39:01 9 responsibilities that I had when I moved.

10:39:02 10 Q. And who were those people?

10:39:04 11 A. The role was essentially split between
10:39:07 12 two people. Parrish Pullen.

10:39:13 13 Q. And?

10:39:13 14 A. And Christina Hall. And I did remember
10:39:18 15 the last name of the other person. Patricia Kada,
10:39:22 16 K-A-D-A.

10:39:28 17 Q. Thank you.

10:39:30 18 What were Mr. Pullen and Miss Hall's
10:39:35 19 responsibilities?

10:39:37 20 A. Miss Hall took on most of the
10:39:39 21 responsibilities that I had had in executive
10:39:41 22 compensation and equity compensation, and
10:39:43 23 Mr. Pullen took on more of the base pay
10:39:46 24 responsibilities that I had had initially. And
10:39:49 25 that evolved some over time. And I don't know

10:39:51 1 that I can tell you everything about how it
10:39:54 2 evolved.

10:39:55 3 Q. Okay. When you moved into the HR
10:40:15 4 business partner role, you mentioned that you had
10:40:17 5 some responsibility for compensation decisions
10:40:20 6 that were on your team.

10:40:22 7 Q. What was that responsibility?

10:40:24 8 A. So as the HR leader for the business
10:40:26 9 unit, I worked closely with the head of the
10:40:29 10 business unit in our annual focal process in
10:40:31 11 auditing decisions that had been made across the
10:40:34 12 organization to ensure that we were paying for
10:40:35 13 performance.

10:40:44 14 Q. And can you describe what that audit
10:40:47 15 process was?

10:40:47 16 A. We have a system that we use to capture
10:40:50 17 the recommendations for managers, and we have a
10:40:52 18 review process with that. The audit process is
10:40:55 19 primarily reviewing reports that would come out of
10:40:57 20 that system and looking for the connection and
10:40:59 21 relationship between performance and compensation
10:41:02 22 to make sure we're delivering pay for performance.
10:41:04 23 So a number of reports and, you know, analysis
10:41:07 24 that we would do on data.

10:41:10 25 Q. And please describe kind of what the

10:41:17 1 actual steps were along the way of the whole
10:41:21 2 audit.

10:41:23 3 A. We -- we have a system that we use to
10:41:25 4 capture the recommendations. We would -- there
10:41:28 5 was some -- some reporting, some budget
10:41:30 6 information that would be available directly out
10:41:32 7 of that system.

10:41:33 8 And in some cases it would be
10:41:35 9 reporting -- pulling that data out into an Excel
10:41:38 10 file and then doing a number of different -- forms
10:41:41 11 of analysis on the data. So looking at
10:41:44 12 differentiation. So looking at merit increases,
10:41:47 13 increase recommendations by performance ratings,
10:41:50 14 looking at bonus recommendation by performance
10:41:52 15 ratings, looking to see ratios between those to
10:41:55 16 make sure that we're delivering for performance.

10:41:57 17 Looking at data across the different
10:41:59 18 leaders below the senior leader to make sure we
10:42:02 19 had consistency and compliance to budget at an
10:42:04 20 overall level. And, again, looking for
10:42:07 21 consistency between performance ratings and pay
10:42:10 22 decisions.

10:42:11 23 Q. And you said there was a system that
10:42:12 24 captures this. Is there an internal site in your
10:42:19 25 database at Intuit where managers would log on and

10:42:22 1 input what their recommended ratings were and
10:42:27 2 merit increases would be for employees?

10:42:32 3 A. Yes. We've used a couple different
10:42:34 4 systems. They're web-based online systems that a
10:42:37 5 manager would log into that would give them access
10:42:39 6 to their group of employees and ability to make
10:42:42 7 recommendations, capture those decisions.

10:42:44 8 Q. And then how did you do the audit? Did
10:42:46 9 you review all of those different recommendations?

10:42:49 10 A. Pri- -- in general, no. Not reviewed
10:42:53 11 each individual recommendation. Organizations are
10:42:55 12 very large. So we'd do audits looking for
10:42:58 13 patterns.

10:42:58 14 Q. Okay. Were there certain things that
10:43:01 15 would show up or would catch your eye as eye
10:43:05 16 opening in a recommendation?

10:43:06 17 A. Sure.

10:43:08 18 Q. What would that be?

10:43:10 19 A. A pay increase that was outside a
10:43:12 20 guideline for the performance rating, perform a --
10:43:15 21 any -- any inconsistencies. We have a set of
10:43:19 22 guidelines and we would have exception reporting
10:43:21 23 to identify things that were outside of those
10:43:24 24 guidelines and would audit those.

10:43:26 25 Q. So if -- so were there ranges of merit

10:43:32	1	increase that would be appropriate for different
10:43:34	2	performance ratings?
10:43:34	3	MR. KIERNAN: Object to form. Sorry.
10:43:38	4	Object to form.
10:43:40	5	THE WITNESS: We provide guidelines.
10:43:40	6	Intuit provides guidelines for what we would
10:43:44	7	expect a range of increase to be for a level of
10:43:46	8	performance.
10:43:47	9	BY MS. DERMODY:
10:43:47	10	Q. And then if a person -- if a manager had
10:43:50	11	recommended someone outside that guideline, would
10:43:53	12	that be something that you would audit?
10:43:55	13	A. Would depend on how far outside the
10:43:57	14	guideline it was. But likely it would be
10:43:59	15	something we'd look at to try to understand why
10:44:01	16	the recommendation was being made.
10:44:03	17	Q. Okay. And you mentioned that you were
10:44:06	18	involved in the audit process.
10:44:08	19	Was someone else also involved with you
10:44:11	20	reviewing the managers in your area?
10:44:14	21	A. I had a staff of HR business partners
10:44:16	22	that worked with specific leaders inside the
10:44:19	23	organization, and so they would do similar audits.
10:44:22	24	The compensation team that I had been part of
10:44:25	25	before would also do similar audits, try to help

10:44:28 1 us in going through the process.

10:44:29 2 Q. And was it your understanding that this

10:44:31 3 audit process was happening across the company

10:44:33 4 when managers were doing recommended merit raises

10:44:37 5 and bonuses?

10:44:39 6 A. There's a level of audit that happens

10:44:41 7 across the organization. I don't know that

10:44:43 8 it's -- that everyone else did exactly the same

10:44:46 9 things that I did, but there was a review process,

10:44:48 10 an audit process.

10:44:49 11 Q. Are you aware of specific differences in

10:44:52 12 the audit process across the organization?

10:44:55 13 A. I can't say that I'm aware of any

10:44:56 14 specific differences.

10:44:57 15 Q. Okay. And is this system that you

10:44:59 16 describe that captures the manager

10:45:02 17 recommendations, is that a system that is used

10:45:04 18 across the company?

10:45:07 19 A. Yes.

10:45:07 20 Q. Okay. And were there times where you

10:45:19 21 disagreed with a recommendation that a manager

10:45:22 22 made?

10:45:22 23 A. Yes. I'm sure -- I'm sure there were.

10:45:23 24 Q. And if that happened, would you decline

10:45:26 25 to approve that recommendation?

10:45:29 1 MR. KIERNAN: Object to form.

10:45:32 2 THE WITNESS: Our process didn't have a

10:45:34 3 specific approval process like that. So if I --

10:45:37 4 if there was something I had questions about or

10:45:40 5 something I wasn't clear about, I would ask

10:45:41 6 questions about it. And I -- in some cases I

10:45:45 7 might influence the manager to end up in a

10:45:47 8 different place, and in some cases their -- their

10:45:50 9 recommendation might go through.

10:45:51 10 BY MS. DERMODY:

10:45:51 11 Q. Do you recall there being any occasions

10:45:53 12 when you questioned a manager's recommendation and

10:45:55 13 the recommendation was changed?

10:45:56 14 A. I don't recall a specific situation of

10:45:59 15 that, but those things happened, yes.

10:46:20 16 Q. What would be an example of acceptable

10:46:23 17 reasons to pay outside the recommendations?

10:46:34 18 A. If the guidelines that we provide are --

10:46:36 19 you know, say, are fairly broad in some cases, and

10:46:39 20 a manager might feel like they might want to make

10:46:42 21 a slight exception to those. We pay for

10:46:44 22 performance, and so we would connect it back to

10:46:46 23 performance. So if someone's performance was --

10:46:49 24 their pay was not consistent with their

10:46:52 25 performance and the manager felt like they needed

10:46:54 1 to go a little bit higher on a merit increase to
10:46:57 2 get the re -- reward the employee appropriately
10:47:00 3 for performance, that would be an acceptable
10:47:02 4 reason.

10:47:03 5 Q. In terms of the factors that would go
10:47:05 6 into evaluating whether an employee should get a
10:47:10 7 greater or lesser increase in pay, what role did
10:47:15 8 retention come into that?

10:47:19 9 MR. KIERNAN: Object to form.

10:47:20 10 THE WITNESS: I'm not sure I completely
10:47:22 11 understand your question.

10:47:24 12 BY MS. DERMODY:

10:47:24 13 Q. Did you have retention ratings for
10:47:26 14 employees?

10:47:27 15 A. We do have retention ratings for
10:47:30 16 employees.

10:47:30 17 Q. Can you describe how those worked during
10:47:32 18 the time period that you were an HR business
10:47:35 19 partner?

10:47:35 20 A. Can you say more about what you mean
10:47:38 21 about how they worked?

10:47:40 22 Q. How were managers instructed to use
10:47:41 23 retention ratings?

10:47:44 24 A. Managers are instructed to rate
10:47:46 25 employees on three different factors, actually.

10:47:49 1 One of those is performance, one of those is
10:47:51 2 retention. Intuit uses three different retention
10:47:54 3 ratings. They get labeled as one, two and three
10:47:58 4 with one being the highest and three being the
10:48:00 5 lowest.

10:48:01 6 Managers are instructed to give every
10:48:03 7 employee -- that they have enough data on. If
10:48:05 8 they don't have enough experience with them, then
10:48:07 9 they couldn't necessarily do it. If they're
10:48:09 10 instructed to assign a retention rating to every
10:48:12 11 employee, the combination of their retention
10:48:14 12 rating and the performance rating and other
10:48:16 13 factors influenced eligibility for equity. It had
10:48:20 14 no bearing at all on base pay.

10:48:30 15 Q. And were there certain guidelines for
10:48:32 16 what performance rating and what retention rating
10:48:35 17 an employee needed to have to be eligible for
10:48:37 18 equity?

10:48:40 19 A. Yes. And those varied over the years.

10:48:47 20 Q. And how are managers instructed to
10:48:50 21 determine whether someone was a one versus a two
10:48:54 22 versus a three for retention?

10:48:56 23 A. There's a number of different criteria
10:48:58 24 that we describe behind what we think behind
10:49:01 25 those -- what those retentions ratings are. But

10:49:04 1 with retention primarily being connected to
10:49:06 2 equity, our equity vests over a multiyear period.
10:49:09 3 The primary difference between it is trying to
10:49:11 4 identify talent that we believe is going to be a
10:49:13 5 creative to the future of the company. And
10:49:16 6 there's a number of different factors that can go
10:49:18 7 into that. So it could be skill set. It could be
10:49:20 8 institutional knowledge. It could be things like
10:49:23 9 what we see as runway for future growth and the
10:49:26 10 opportunity to take on larger roles.

10:49:27 11 And the difference between one, two and
10:49:29 12 three is the varying nature of skills in those --
10:49:32 13 the qualification or the assessment of an
10:49:35 14 individual against those types of things.

10:49:37 15 Q. Are there ever managers that are, by
10:49:43 16 virtue of the project they're on, managing
10:49:46 17 employees that are all number 1s for retention?

10:49:53 18 MR. KIERNAN: Object to form.

10:49:53 19 THE WITNESS: "Ever" is a big word. So
10:49:58 20 I -- sure, that's a possibility. We do have some
10:50:03 21 expectations. We've always had expectations that
10:50:06 22 at larger level within the organization, there
10:50:08 23 needs to be differentiation across retention
10:50:10 24 ratings as well, and that not everyone is a 1.
10:50:13 25 But in a -- I could see a situation where in a

10:53:13 1 committee meetings of the board?

10:53:17 2 A. No, I did not.

10:53:20 3 Q. And was there a regular HR business

10:53:23 4 partner meeting that you attended, or were those

10:53:26 5 more ad hoc?

10:53:27 6 A. When I was in the compensation role?

10:53:29 7 Q. Yes.

10:53:29 8 A. Those were more ad hoc.

10:53:36 9 Q. What was your understanding of the

10:53:37 10 purpose of Mr. Grenier's meetings?

10:53:44 11 A. My meetings?

10:53:45 12 Q. The ones that you attended when you were

10:53:46 13 in the compensation role.

10:53:47 14 A. His staff meetings were kind of typical

10:53:50 15 staff meetings of updates on things happening

10:53:52 16 within the organization. So update things --

10:53:55 17 updates on things happening at an Intuit level,

10:53:58 18 things happening within the HR organization,

10:53:59 19 updates on things that were happening inside of

10:54:01 20 the total rewards team, you know, projects that we

10:54:05 21 were working on, kind of typical staff meeting

10:54:08 22 types of things.

10:54:10 23 Q. Did the topic of recruiting come up in

10:54:12 24 connection with your compensation work?

10:54:16 25 A. Say more about that. Recruiting as a --

10:54:20 1 we were not recruiting, but we did work with the
10:54:25 2 recruiting organization inside the organization,
10:54:27 3 and so, sure, it may have come up.
10:54:31 4 Q. Did you have any role in setting
10:54:34 5 recruiting policy?
10:54:37 6 A. No.
10:54:45 7 Q. In case there's any doubt, I'm asking
10:54:47 8 you about the 2005/2008 time period. And I'll try
10:54:51 9 to be clear if I'm not asking about that time
10:54:53 10 period. Okay?
10:54:53 11 A. Okay.
10:55:09 12 Q. Did you ever attend any board of
10:55:10 13 directors meetings in the 2005/2008 time period?
10:55:14 14 A. No.
10:55:15 15 Q. How about when you were an HR business
10:55:16 16 partner role?
10:55:17 17 A. No.
10:55:37 18 Q. Again, in the 2005/2008 time period,
10:55:41 19 what was your role in developing the annual merit
10:55:44 20 budget for Intuit?
10:55:48 21 A. I had the responsibility of making
10:55:49 22 recommendation.
10:55:52 23 Q. Can you walk me through the process that
10:55:53 24 you had to do that?
10:55:56 25 A. Primarily, the process we used was, you

10:55:59 1 know, looking at what was happening in the
10:56:02 2 marketplace. So getting some insights there,
10:56:04 3 looking at what was happening from a broad
10:56:06 4 perspective in the marketplace. Looking at issues
10:56:08 5 or situations that may be happening inside of
10:56:11 6 Intuit, things like turnover. So were we
10:56:13 7 experiencing a greater level of turnover? Did it
10:56:16 8 look like we had challenges or issues relative to
10:56:18 9 retention of employees?
10:56:21 10 Checking in with finance, working with
10:56:23 11 finance on what their perspective was on business
10:56:26 12 growth and affordability. And then I made a
10:56:28 13 recommendation of what seemed like an appropriate
10:56:31 14 merit budget.
10:56:36 15 Q. Did you ever have occasion to call your
10:56:38 16 colleagues at other companies to find out what
10:56:41 17 they were doing around merit increase?
10:56:43 18 A. Sure.
10:56:44 19 Q. And were there certain people that you
10:56:46 20 frequently reached out to?
10:56:49 21 A. I don't recall any specifics. I've had
10:56:51 22 connections in the valley for a long time, and so
10:56:54 23 would reach out to others that were in similar
10:56:57 24 roles just to get their sense of what was
10:56:59 25 happening and what they were thinking.

10:57:01 1 Q. And did that include people that were at
10:57:03 2 Google?

10:57:04 3 A. No.

10:57:07 4 Q. How about at Apple?

10:57:08 5 A. I'm going to say no. I've had some
10:57:11 6 contacts at Apple, but never contact -- never of
10:57:13 7 that nature.

10:57:14 8 Q. How about Intel?

10:57:16 9 A. I was in a group that -- there was --
10:57:20 10 there was a group of compensation professionals in
10:57:23 11 the -- in the valley that were focused on --
10:57:25 12 primarily on equity compensation and primarily
10:57:29 13 focused on equity compensation outside the U.S.
10:57:32 14 Intel did participate in that group, and so we may
10:57:35 15 have discussed things like merit budgets and
10:57:38 16 things in some of those conversations.

10:57:40 17 Q. Okay. What about Adobe? Did you have a
10:57:44 18 colleague there that you would speak with about
10:57:47 19 these issues?

10:57:47 20 A. No.

10:57:49 21 Q. Lucasfilm?

10:57:50 22 A. No.

10:57:51 23 Q. Pixar?

10:57:52 24 A. No.

10:59:03 25 MS. DERMODY: Is that 2735?

10:59:05 1 THE REPORTER: Yes.

10:59:05 2 MS. DERMODY: Thanks.

10:59:06 3 (Whereupon, Deposition Exhibit 2735

10:59:06 4 was marked for identification.)

10:59:05 5 BY MS. DERMODY:

10:59:06 6 Q. Mr. Stubblefield, the document we've

10:59:07 7 just marked as Exhibit 2735 has a number below.

10:59:13 8 It's a Google document that starts 480 --

10:59:17 9 MR. KIERNAN: Can I -- I hate to do

10:59:18 10 this. It's marked attorney's eyes only from

10:59:22 11 Google.

10:59:23 12 MS. DERMODY: His name is on the

10:59:24 13 document.

10:59:25 14 MR. KIERNAN: On the top?

10:59:27 15 MS. DERMODY: Yeah.

10:59:27 16 MR. KIERNAN: Okay. All right. I'm

10:59:28 17 just making sure.

10:59:30 18 BY MS. DERMODY:

10:59:32 19 Q. Anyway, it's marked -480249.

10:59:35 20 Do you see that?

10:59:36 21 A. I do.

10:59:37 22 Q. And do you recognize this document?

10:59:40 23 A. I don't. I can't say I recognize it

10:59:42 24 specifically. It's from a long time ago. But you

10:59:46 25 asked about Adobe. So Adobe was also in the

10:59:49 1 group, the silicon -- the group that was focused
10:59:52 2 on equity practices, so Adobe was in that group.
10:59:55 3 Q. Okay. And if you look at this e-mail,
10:59:59 4 the top e-mail from Jim Johnson at Seagate, which
11:00:02 5 is sent to a number of people, and you're copied
11:00:06 6 on that, do you see that?
11:00:07 7 A. I do see that.
11:00:08 8 Q. It attaches another e-mail below where
11:00:10 9 the e-mail addresses of the recipients are spelled
11:00:13 10 out.
11:00:13 11 Do you see that?
11:00:14 12 A. I do see that.
11:00:15 13 Q. Does this refresh your recollection that
11:00:16 14 in that group was a woman from Apple?
11:00:20 15 A. Yes, I do see that.
11:00:22 16 Q. And a woman from Adobe?
11:00:23 17 A. Yes.
11:00:25 18 Q. And a woman from Intel?
11:00:30 19 A. Yes.
11:00:33 20 Q. And was -- were those people all in this
11:00:35 21 group that you mentioned as the group of Silicon
11:00:37 22 Valley HR people that would communicate about
11:00:42 23 different comp issues?
11:00:43 24 MR. KIERNAN: Object to form.
11:00:47 25 THE WITNESS: Some of them were.

11:00:47 1 There's some of the names on here that I don't
11:00:50 2 recognize from that group, so they may have been
11:00:52 3 communications from someone else. So the name
11:00:57 4 from Apple, the name from Adobe I do recognize
11:00:59 5 being in the group. The one from Intel I actually
11:01:02 6 don't recognize. That's not a person I'm familiar
11:01:04 7 with.

11:01:06 8 BY MS. DERMODY:

11:01:23 9 Q. You see also there's a Mr. Wagner from
11:01:26 10 Google? Do you see that?

11:01:27 11 A. I do see that.

11:01:28 12 Q. Does that refresh your recollection
11:01:30 13 Mr. Wagner was also on that group?

11:01:32 14 A. I don't believe I know Mr. Wagner.

11:01:34 15 Q. Do you recall him being part of a group
11:01:36 16 of e-mails with other people in the valley about
11:01:39 17 different compensation issues?

11:01:41 18 A. I see it on here. I can't say I recall
11:01:45 19 it. I don't believe I know him. It's been five
11:01:47 20 years ago, so not someone that I -- that I recall.

11:01:52 21 (Whereupon, Deposition Exhibit 2736
11:01:52 22 was marked for identification.)

11:02:43 23 BY MS. DERMODY:

11:02:44 24 Q. Mr. Stubblefield, there's another
11:02:45 25 document placed in front of you, it's marked 1736

11:02:48 1 [sic]. This one comes from the Intuit file and
11:02:52 2 should have the number 53086 in the front. Do you
11:02:54 3 see that?

11:02:55 4 A. Yes, I do.

11:02:58 5 Q. And is this an e-mail sent from
11:03:01 6 Mr. Grenier -- Grenier?

11:03:06 7 A. Grenier.

11:03:07 8 Q. -- Grenier to you and Mr. Parrish --
11:03:14 9 excuse me, Mr. Pullen?

11:03:16 10 A. Yes.

11:03:16 11 Q. And this is attaching another e-mail
11:03:21 12 which is from someone at Macromedia with a
11:03:24 13 subject, "Incentive Compensation structure for
11:03:26 14 Sales Executives."

11:03:28 15 Do you see that?

11:03:28 16 A. Yes, I do.

11:03:29 17 Q. And in the list of people in this e-mail
11:03:32 18 from the person at Macromedia, there's a recipient
11:03:38 19 at Adobe.

11:03:39 20 Do you see that?

11:03:43 21 A. Yes.

11:03:44 22 Q. And at Google.

11:03:46 23 Do you see that?

11:03:46 24 A. Yes.

11:03:46 25 Q. And do you recognize those people as

11:03:49 1 being part of this Silicon Valley group that
11:03:50 2 discussed different compensation issues?

11:03:52 3 MR. KIERNAN: Object to form.

11:03:56 4 THE WITNESS: No, I do not.

11:03:57 5 BY MS. DERMODY:

11:03:57 6 Q. Do you know who kpoole is at Google?

11:04:00 7 A. No, I do not.

11:04:01 8 Q. Do you know who Ellens is at Adobe?

11:04:04 9 A. Maybe. I think so.

11:04:07 10 Q. Okay. And who is that?

11:04:10 11 A. I think it's Ellen Sworthouse, but I'm
11:04:14 12 not positive.

11:04:16 13 Q. As indicated in this message from the
11:04:17 14 Macromedia person, she says:

11:04:22 15 "As part of our FY06
11:04:24 16 Executive Sales Compensation Plan
11:04:26 17 design process I am interested in
11:04:29 18 a brief confidential data exchange
11:04:31 19 with you. We will use this
11:04:33 20 information along with other
11:04:34 21 market information (i.e. Radford)
11:04:37 22 to compare our plan against market
11:04:39 23 practice. I will summarize the
11:04:40 24 findings and share them with those
11:04:43 25 of you who respond."

11:04:44 1 Do you see that?

11:04:44 2 A. Yes.

11:04:45 3 Q. Do you recall there being an exchange

11:04:47 4 about incentive compensation for sales executives?

11:04:50 5 A. I -- I don't recall.

11:04:52 6 Q. Do you know if you participated in this?

11:04:54 7 A. I don't know.

11:04:55 8 Q. Is this something that you would

11:04:56 9 normally have participated in?

11:04:59 10 A. It might be.

11:05:01 11 Q. And do you recall there being occasions

11:05:04 12 where you exchange information about specific

11:05:07 13 types of employee compensation with other

11:05:09 14 companies?

11:05:10 15 MR. KIERNAN: Object to form.

11:05:11 16 THE WITNESS: Questions like this,

11:05:19 17 you've seen another example of questions like this

11:05:21 18 were not uncommon or not uncommon to try to get

11:05:24 19 information. I wouldn't say that they're about

11:05:25 20 specific employees. They might be about a group

11:05:28 21 of employees. And they were generally at a broad

11:05:29 22 level of what are your practices in these areas.

11:05:32 23 So, yes, I recall things like that happening and I

11:05:34 24 can't tell you specifics.

11:05:36 25 BY MS. DERMODY:

11:05:36 1 Q. Okay. And do you recall there being
11:05:38 2 communications where there were exchanges about
11:05:41 3 compensation ranges or compensation approaches for
11:05:44 4 different groups of employees to share with other
11:05:46 5 companies in the valley?

11:05:50 6 A. I don't recall any specific examples of
11:05:52 7 things like that.

11:05:54 8 Q. Even though you can't recall the
11:05:56 9 specific example, do you recall that that
11:05:58 10 happened?

11:06:02 11 A. There were exchanges around practices
11:06:04 12 and things like this. I don't recall situations
11:06:07 13 around specific ranges of compensation for
11:06:10 14 employees. I wouldn't say it didn't happen, but I
11:06:12 15 don't recall that happening.

11:06:14 16 Q. Okay. In addition to the e-mail group
11:06:25 17 that you were part of with other companies in the
11:06:28 18 valley, did you have occasion to go to dinner or
11:06:32 19 socialize with groups of HR professionals from
11:06:35 20 other Silicon Valley companies?

11:06:39 21 A. It wasn't actually an e-mail group. It
11:06:42 22 was a group that met live about once every two
11:06:44 23 months, and then e-mail might be a method of
11:06:47 24 follow-up if there were things that came out
11:06:49 25 afterwards. But it was a group that met

11:06:52 1 specifically to talk about equity issues. There
11:06:53 2 may have been some social aspects attached to
11:06:56 3 that. I don't recall going out to dinner with
11:06:58 4 anyone else regularly or things like that. There
11:06:59 5 are conferences and things like that that exist in
11:07:01 6 the valley that have a social aspect to them.

11:07:05 7 Q. And did the group you met with every two
11:07:07 8 months have a name to it?

11:07:08 9 A. It was called the -- I want to say it
11:07:13 10 was called the Silicon Valley Global Equity Forum,
11:07:16 11 or something like that. So it did have a formal
11:07:19 12 name and it was a formal group.

11:07:25 13 Q. And do you recall, in connection with
11:07:26 14 that group meeting, there being discussions of
11:07:29 15 compensation below the executive level?

11:07:34 16 A. The focus of the group was primarily on
11:07:36 17 equity practices outside the U.S., and it would
11:07:38 18 have been beyond executives.

11:07:41 19 Q. And how about discussions involving
11:07:43 20 domestic workers?

11:07:44 21 A. The focus was primarily around equity,
11:07:46 22 and it would have included -- would have included
11:07:48 23 workers. It was primarily outside the U.S. It
11:07:51 24 would have had occasions where the U.S. practices
11:07:53 25 would have come into that as well.

11:09:07 1 A. It -- it actually had started prior to
11:09:08 2 that, so it was a group that I had participated
11:09:12 3 with when I was at NetApp, and so it started
11:09:16 4 sometime prior to that. I don't remember exactly
11:09:17 5 when it started and I don't remember -- I don't
11:09:20 6 know how it evolved over the years after that
11:09:22 7 either.

11:09:23 8 Q. And was that group continuing to meet at
11:09:27 9 the time you moved into the HR business partner
11:09:29 10 role in 2008?

11:09:31 11 A. The formal group itself did. I don't
11:09:34 12 believe Intuit continued to participate in it.

11:09:36 13 Q. Do you know when Intuit stopped
11:09:37 14 participating in it?

11:09:39 15 A. I think Intuit stopped participating
11:09:40 16 when I moved out of the role.

11:09:42 17 MS. DERMODY: Okay. I promised you a
11:09:55 18 break every hour, so let's take a break.

11:09:59 19 MR. KIERNAN: Yeah. Good.

11:10:01 20 THE VIDEOGRAPHER: This is the end of
11:10:01 21 Video Number 1. The time is 11:10 a.m. We are
11:10:04 22 going off the record.

11:10:10 23 (Whereupon, a recess was taken.)

11:23:31 24 THE VIDEOGRAPHER: This is the beginning
11:23:32 25 of Video Number 2 in the deposition of Mason

11:23:35 1 Stubblefield. The time is 11:23 a.m. We're back
11:23:38 2 on the record.

11:23:39 3 BY MS. DERMODY:

11:23:40 4 Q. Mr. Stubblefield, at some point in that
11:23:44 5 2005/2008 time period, were you involved in
11:23:47 6 developing what we called a proxy peer group for
11:23:51 7 Intuit?

11:23:51 8 A. Yes.

11:23:52 9 Q. And what was that?

11:23:56 10 A. What was the proxy peer group?

11:23:59 11 Q. Yes.

11:23:59 12 A. From an executive compensation
11:24:00 13 perspective, we look at a group of proxy peers,
11:24:03 14 which is essentially what our shareholders are
11:24:05 15 looking at to evaluate our executive compensation
11:24:08 16 decisions.

11:24:08 17 Q. And do you recall who was included among
11:24:10 18 your proxy peers?

11:24:11 19 A. I don't recall specifically all the
11:24:13 20 companies at this point.

11:24:14 21 Q. Okay. Do you recall if Intel was part
11:24:16 22 of that group?

11:24:16 23 A. I don't recall specific names.

11:24:20 24 Q. Adobe?

11:24:20 25 A. Like I said, I don't recall specific

11:24:22 1 names. There was 20, 25 companies that were in
11:24:24 2 it.

11:24:25 3 Q. Okay. And what was the process you went
11:24:28 4 through to come up with that list?

11:24:33 5 A. We used a few different things. Some of
11:24:35 6 it was input from our own organization on who we
11:24:39 7 saw as talent peers and who we were competing
11:24:42 8 against for talent in the organization, across
11:24:44 9 executive talent. Part of it was also working
11:24:47 10 with the compensation consultants that we used for
11:24:49 11 executive compensation, which at the time was
11:24:51 12 Watson Wyatt, and getting input from them in
11:24:54 13 helping us develop who that proxy peer group would
11:24:58 14 be. That was reviewed with the compensation and
11:24:59 15 organization development committee of the board
11:25:01 16 and ultimately approved by them as a peer group.

11:25:08 17 Q. And do you recall in that same time
11:25:10 18 period who were considered to be the talent peers
11:25:12 19 for Intuit?

11:25:14 20 A. I don't recall specific companies. It
11:25:17 21 varies by -- Intuit's a collection of different
11:25:20 22 business units, and those peers would vary quite a
11:25:23 23 bit by business unit.

11:25:25 24 Q. Do you recall any of the companies?

11:25:28 25 A. I can think of a few names that would

11:25:30 1 probably come up with a valley perspective, but we
11:25:32 2 would also look at other companies outside.
11:25:34 3 Companies like Paychecks or ADP from a payroll
11:25:37 4 perspective. Companies like Yahoo!, eBay may
11:25:40 5 have been -- would have been in the group. NetApp
11:25:43 6 was in the group at one point.

11:25:45 7 Q. What about Google?

11:25:47 8 A. Google would probably have been in the
11:25:48 9 group as well.

11:25:49 10 Q. How about Intel?

11:25:51 11 A. I don't recall specifically about Intel.

11:25:53 12 Q. Okay. Adobe?

11:25:55 13 A. Like I said, I don't recall specifically
11:25:56 14 about Adobe. So being a software company, we
11:26:00 15 looked at other software companies, again, looking
11:26:03 16 at different parts of our business.

11:26:08 17 Q. Do you recall if Apple was part of that
11:26:10 18 group?

11:26:11 19 A. I don't recall the specific names of
11:26:12 20 companies that were in the group.

11:27:04 21 Q. I can't tell from the transcript if this
11:27:05 22 was captured. I asked you about Google being in
11:27:08 23 that group.

11:27:09 24 Is it your testimony that Google would
11:27:11 25 have been in that peer talent group?

11:27:14 1 A. I don't recall specifically who the
11:27:15 2 companies were in the peer group.
11:27:16 3 (Whereupon, Deposition Exhibit 2737
11:27:16 4 was marked for identification.)
11:27:32 5 BY MS. DERMODY:
11:27:37 6 Q. The document that's been marked 2737
11:27:40 7 should have an Intuit number -53096.
11:27:43 8 Do you see that?
11:27:44 9 A. Yes, I do.
11:27:45 10 Q. And is this an e-mail from Mr. Grenier
11:27:49 11 to you from June 28, 2005?
11:27:53 12 A. Yes, it is.
11:27:55 13 Q. And if you look down at the attached
11:27:58 14 e-mail, there's an e-mail from you to various
11:28:03 15 people listing companies that -- it says you got
11:28:12 16 from our executive recruiting leader, and it has a
11:28:14 17 list of companies and then local competition for
11:28:17 18 talent.
11:28:17 19 Do you see that?
11:28:18 20 A. Yes, I see that.
11:28:19 21 Q. Do you see Google on that list?
11:28:20 22 A. Yes, I do see Google on the list.
11:28:22 23 Q. Does that refresh your recollection that
11:28:24 24 Google was on that talent peer list?
11:28:26 25 A. Like I said, I don't recall. So I see

11:28:28 1 it here, but I don't recall specifically.

11:28:34 2 Q. Do you recall developing lists like this

11:28:37 3 as reflected in Exhibit 2737?

11:28:41 4 A. I see that I did it here, and like I

11:28:44 5 say, this was -- the two people that messages were

11:28:47 6 sent to were from Watson Wyatt in working on the

11:28:50 7 proxy peer list, but I don't recall the specific

11:28:53 8 steps or activity doing it, no.

11:29:11 9 Q. Did you have occasion in the 2005 to

11:29:16 10 2008 time period, when you were working in the

11:29:19 11 compensation area or after that, when you were an

11:29:22 12 HR business partner, to assist with counteroffers

11:29:25 13 for Intuit employees who might have been recruited

11:29:27 14 elsewhere?

11:29:30 15 A. Yes.

11:29:30 16 Q. And tell me, was that the entire time

11:29:32 17 period, or was that only when you were an HR

11:29:35 18 business partner?

11:29:37 19 A. It may have happened in some situations

11:29:39 20 as a compensation consultant or adviser, so may

11:29:43 21 have happened in some cases in both roles.

11:29:49 22 Q. When you were in the compensation role,

11:29:51 23 what was your contribution to the counteroffer

11:29:55 24 discussion, if that was happening?

11:29:59 25 A. Intuit's approach in general is not to

11:30:02 1 do counteroffers. So culturally, we don't believe
11:30:06 2 it's the right thing to do. So in some cases, my
11:30:09 3 role would have been to reiterate that
11:30:10 4 perspective. If I got a contact from someone who
11:30:13 5 was saying that an employee had an offer from
11:30:14 6 someone else and was considering leaving and what
11:30:17 7 would we do about it, I may have been coaching
11:30:20 8 them on our approach or philosophy, or I might
11:30:22 9 have been providing them some insight or
11:30:25 10 perspective on something they were considering
11:30:28 11 doing.

11:30:28 12 Q. And do you recall there being occasions
11:30:29 13 when you assisted in providing them information to
11:30:33 14 give a monetary counteroffer?

11:30:37 15 A. I don't recall any -- any specific
11:30:38 16 situations.

11:30:40 17 Q. Do you recall that happening if you
11:30:41 18 don't recall the specifics?

11:30:48 19 A. I guess -- help me with more -- I
11:30:50 20 don't -- so I don't recall specific situation
11:30:53 21 of -- I don't recall a conversation like that. My
11:30:57 22 role may have been -- would have been to give them
11:30:59 23 some perspective around compensation, and thinking
11:31:02 24 about a variety of things that could be done as
11:31:04 25 a -- as a response to someone considering leaving

11:31:07 1 the organization.

11:31:08 2 Q. Okay. And was one of those strategies

11:31:11 3 to give the person more money?

11:31:14 4 A. Generally, that would not be our

11:31:16 5 approach. Like I said earlier, culturally we

11:31:19 6 don't think that's the right statement to make.

11:31:20 7 If someone's used -- thinking about leaving the

11:31:22 8 organization, they are generally thinking about

11:31:25 9 leaving for a variety of reasons. Compensation

11:31:26 10 usually becomes the excuse, but it's rarely the

11:31:29 11 root cause and the real reason.

11:31:30 12 So our approach would generally not be

11:31:32 13 to respond with compensation. We would try to

11:31:34 14 understand what the key factors were, what the

11:31:37 15 root cause was for the person considering leaving.

11:31:39 16 Might be job content. Might be a number of other

11:31:41 17 factors.

11:31:42 18 We might consider using retention

11:31:44 19 bonuses in some cases to try to get someone to

11:31:46 20 stay. We might have looked at giving someone an

11:31:49 21 increase in their base pay if the manager thought

11:31:52 22 that was an appropriate thing to do.

11:31:56 23 Q. And what is a retention bonus, or what

11:31:58 24 was it in that time period?

11:32:00 25 A. Retention bonus would be an opportunity

11:32:02 1 for an incremental cash payment at some point in
11:32:05 2 the future if an individual stayed through that
11:32:07 3 time period.

11:32:20 4 Q. And do you recall how you determined
11:32:21 5 what the amount of that kind of cash payment would
11:32:23 6 be?

11:32:26 7 A. There would be various different ways to
11:32:29 8 look at it. All of our employees, majority of our
11:32:31 9 employees have some type of annual incentive
11:32:35 10 opportunity, and we would use that as a
11:32:37 11 calibration point. So it might be an amount that
11:32:38 12 was similar to that.

11:32:40 13 Q. Can you explain what you mean by that?

11:32:42 14 A. Employees have a bonus target or
11:32:44 15 incentive target. So as an example, the incentive
11:32:46 16 target might be 10 percent of their salary. We
11:32:49 17 might use that as a guide. We would use that as a
11:32:52 18 guide to think about an incremental bonus that
11:32:55 19 would be meaningful for the employee to, you know,
11:32:58 20 help convince them or persuade them to stay.

11:33:08 21 Q. Okay. And then when you moved into the
11:33:11 22 HR business partner role, did your responsibility
11:33:15 23 with respect to counteroffers change?

11:33:20 24 A. The role with it would still be a
11:33:22 25 consulting role with the business leader in trying

11:33:25 1 to help them think through ways to respond to a
11:33:27 2 situation. The nature of the role would be
11:33:29 3 different from being the compensation professional
11:33:31 4 to being their HR business partner, but still a
11:33:34 5 consultive role.

11:33:37 6 Q. Do you recall situations coming up when
11:33:38 7 you were in the HR business partner role where an
11:33:40 8 employee was looking elsewhere and the
11:33:45 9 counteroffer question was raised?

11:33:49 10 A. I don't recall any situations like that.

11:33:52 11 Q. Even if you can't recall specifics, do
11:33:54 12 you recall it happening?

11:33:55 13 A. I don't recall it happening.

11:33:57 14 Q. Okay. Is it your testimony that it
11:34:08 15 didn't happen or that you don't recall that it
11:34:10 16 happened?

11:34:10 17 A. It's that I don't recall.

11:34:11 18 Q. Okay. You've described a number of
11:34:42 19 categories of compensation; base salary, bonus and
11:34:49 20 equity being the main three. Is that correct?

11:34:52 21 A. Yes.

11:34:52 22 Q. And then there are opportunities for
11:34:55 23 other types of awards in the company; is that
11:34:57 24 correct?

11:35:00 25 A. Help me with how you define "awards."

11:35:03 1 Q. Sure.

11:35:04 2 Are there other monetary awards for

11:35:06 3 employees in the company? And I'll stick with the

11:35:08 4 2005 to 2009 time period.

11:35:11 5 A. So we have a recognition program that

11:35:14 6 provides monetary value for specific events,

11:35:17 7 specific results, behaviors, things from

11:35:20 8 employees. We talked a bit about retention

11:35:25 9 bonuses, which would also be a monetary reward

11:35:27 10 that could -- is used in some situations, would be

11:35:30 11 available for employees.

11:35:35 12 Q. In terms of the recognition program,

11:35:38 13 again, sticking with the earlier time period than

11:35:41 14 now, what program or programs existed that had

11:35:45 15 compensation as a -- as a form of the reward?

11:35:51 16 A. With the recognition program

11:35:52 17 specifically?

11:35:52 18 Q. Yes.

11:35:55 19 A. The recognition program provides most

11:35:59 20 anyone in the organization an opportunity to

11:36:01 21 provide some value as recognition for a

11:36:04 22 contribution from someone else in the

11:36:06 23 organization. In most cases, that's not cash.

11:36:10 24 It's actually done in the form of gift

11:36:13 25 certificates. More like gift certificates or gift

11:36:16 1 cards where it's value and the person -- the
11:36:18 2 recipient turns that value into something that
11:36:21 3 they could keep as a more memorable item for the
11:36:25 4 recognition versus it just being cash. It's got
11:36:27 5 monetary value.

11:36:29 6 Q. Is that the spotlight program?

11:36:31 7 A. Yes, that's the spotlight program.

11:36:38 8 Q. And is there a range of value with these
11:36:41 9 gift certificates?

11:36:41 10 A. Yes.

11:36:43 11 Q. What would be the range?

11:36:46 12 A. \$50 to \$500 to a monetary value of a
11:36:55 13 trip that could be a couple thousand dollars.

11:37:03 14 Q. And for how long has the spotlight
11:37:05 15 program been around?

11:37:09 16 A. I don't know exactly when it started,
11:37:10 17 but it's been a key part of Intuit's compensation
11:37:13 18 approach for a number of years. Ten years or
11:37:15 19 more.

11:37:16 20 Q. Okay. So prior to your time maybe?

11:37:18 21 A. Yes. There was a recognition program
11:37:20 22 prior to my joining.

11:37:23 23 Q. And do you know if retention bonuses
11:37:26 24 have ever been allocated to employees proactively
11:37:33 25 before there's even a counteroffer or another

11:37:36 1 offer out there for that employee?

11:37:38 2 A. Yes.

11:37:39 3 Q. And describe those situations.

11:37:43 4 A. There's been situations in -- a few

11:37:47 5 different situations I can think of if there were

11:37:49 6 changes happening in a business, and we were

11:37:52 7 concerned that those changes in the business might

11:37:54 8 prompt attrition or contribute to attrition, we've

11:37:57 9 used proactive retention bonuses to try to lock

11:38:00 10 those employees for a given period of time.

11:38:04 11 If there were concerns about specific

11:38:05 12 skills or talent that were critical for us for a

11:38:09 13 project, we've used retention bonuses to try to

11:38:12 14 incent those employees to stay through the

11:38:16 15 completion of that project with the hope that

11:38:16 16 they'd stay much longer than that.

11:38:19 17 If we saw attrition in some area, we'd

11:38:23 18 use -- we use retention bonuses proactively to try

11:38:27 19 to secure, lock in, create the incentive for other

11:38:31 20 talent to stay.

11:38:35 21 Q. And has that been the practice going

11:38:37 22 back to when you started in 2004?

11:38:41 23 MR. KIERNAN: Object to form.

11:38:46 24 THE WITNESS: Intuit's pretty

11:38:48 25 consistently provided a variety of tools for

11:38:49 1 managers to use at their discretion as they need
11:38:52 2 them to. So we've had retention bonuses where a
11:38:56 3 tool that goes back to -- the start of my time as
11:38:58 4 one of the tools that was out there. We primarily
11:39:01 5 use equity as our retention vehicle, and it's been
11:39:05 6 out there as well.

11:39:06 7 BY MS. DERMODY:

11:39:07 8 Q. And is equity something that you have
11:39:10 9 used proactively to keep talent notwithstanding
11:39:15 10 any other offer that they might have in the
11:39:17 11 market?

11:39:21 12 MR. KIERNAN: Object to form.

11:39:23 13 THE WITNESS: Intuit includes equity as
11:39:25 14 part of the annual talent and pay process, and
11:39:28 15 based on the performance ratings, retention
11:39:31 16 ratings, employees are given a value of equity.

11:39:34 17 And so I would say in a lot of respects
11:39:36 18 that is a proactive retention tool. So it's not
11:39:39 19 in response to anything other than the performance
11:39:41 20 and what we see as their value going forward.

11:39:57 21 BY MS. DERMODY:

11:39:57 22 Q. And I think you testified earlier that
11:39:58 23 the compensation, including decisions about
11:40:01 24 equity, are generally made once a year; is that
11:40:04 25 right?

11:40:06	1	A. Yes.
11:40:09	2	Q. Have you been aware of any decisions to
11:40:11	3	do midyear equity grants or midyear bonuses for a
11:40:16	4	group of people?
11:40:18	5	A. I'm aware of a situation where Intuit
11:40:20	6	changed its process on equity and did equity
11:40:23	7	grants at midyear. I'm not aware of any
11:40:26	8	situations where midyear bonuses were granted to
11:40:29	9	anyone.
11:40:29	10	Q. Okay. What was the midyear equity
11:40:33	11	grant?
11:40:34	12	A. I think it was in 2008. I'm not sure on
11:40:40	13	the year. I think it was in 2008, a decision was
11:40:43	14	made to shift the equity grants from the normal
11:40:46	15	time period of July or August to February.
11:40:51	16	Q. So that wasn't an additional grant in
11:40:53	17	that cycle; it was just changing the time period
11:40:55	18	of that grant?
11:40:58	19	A. That's correct. It just shifted the
11:40:59	20	time frame.
11:40:59	21	Q. And are you aware of any groups of
11:41:01	22	employees being identified to receive additional
11:41:05	23	equity grants outside the normal cycle?
11:41:07	24	A. Yes. I'm aware of some situations where
11:41:09	25	that's been done.

11:41:11 1 Q. Okay. And describe those.

11:41:12 2 A. They'd be situations, oh, kind of like I

11:41:14 3 described before from a retention perspective. If

11:41:16 4 we saw attrition with a group of employees or a

11:41:19 5 certain skill set and we were concerned about

11:41:21 6 that, we'd use proactive equity grants with others

11:41:24 7 that we're seeing this top talent to try to incent

11:41:28 8 them to stay or use as another retention tool.

11:41:32 9 Q. Is that something that you've seen

11:41:34 10 happen going back to the 2005 time period?

11:41:40 11 A. I don't recall it happening -- it's not

11:41:42 12 something that happens very often inside the

11:41:43 13 organization. I can think of one situation where

11:41:45 14 it happened -- where it's happened, and that was

11:41:48 15 more recent.

11:41:49 16 Q. Okay. What was that situation?

11:41:50 17 A. It was with our marketing organization

11:41:52 18 where we were seeing slightly higher attrition in

11:41:55 19 marketing and were concerned about it, and so we

11:41:57 20 had the managers identify specific employees that

11:42:00 21 they saw as being key for them, and manager

11:42:04 22 discretion to nominate or recognize them, and a

11:42:06 23 small group were given some additional grants.

11:42:19 24 Q. And do you know, were these employees

11:42:20 25 that had threatened to leave?

11:42:25 1 A. I don't know. It was a proactive move
11:42:28 2 taken by the marketing leader, and the -- and the
11:42:31 3 staff across the marketing organization, in
11:42:33 4 looking at key skills, and trying to send them a
11:42:37 5 strong message about how we valued them.

11:42:45 6 Q. And you said that happened more
11:42:46 7 recently, this past year, two years ago?

11:42:50 8 A. Within the last year.

11:42:51 9 Q. Okay. And do you recall other
11:42:52 10 situations happening before that?

11:42:56 11 A. I don't recall other situations like
11:42:59 12 that.

11:43:01 13 Q. Is it possible that they happened but
11:43:04 14 you don't know? Is that --

11:43:05 15 A. Sure, it's possible.

11:43:30 16 Q. Are there any other strategies that
11:43:32 17 you're aware Intuit has used to proactively retain
11:43:37 18 key talent?

11:43:40 19 A. Yes.

11:43:41 20 Q. And can you describe those that are
11:43:44 21 compensation-based?

11:43:46 22 A. Most of the others would not be
11:43:48 23 compensation-based.

11:43:49 24 Q. Okay. Are those more work
11:43:54 25 assignment-based?

11:52:00 1 table inside that system and how values were set.

11:52:02 2 So it's a screen shot of PeopleSoft.

11:52:05 3 Q. Okay.

11:52:05 4 A. So this document on its own could never

11:52:08 5 have been produced by itself just based on it

11:52:10 6 being a collection of different things.

11:52:11 7 Q. Okay. On that nine blocker control

11:52:17 8 section --

11:52:17 9 A. Yes.

11:52:17 10 Q. -- can you just walk me through what the

11:52:19 11 different columns are?

11:52:28 12 A. I'll try.

11:52:29 13 So the first piece is just a value

11:52:31 14 that's kind of used behind the scenes to connect

11:52:35 15 based on a certain set of employee circumstances

11:52:37 16 what parameters or what values would show up in a

11:52:40 17 calculation that's done within the system. So

11:52:42 18 it's just a value that's attached.

11:52:46 19 So the group values -- based on a group

11:52:49 20 value, it attaches to different things here. The

11:52:51 21 group value essentially attaches to a combination

11:52:53 22 of a performance rating and a retention rating for

11:52:56 23 an employee.

11:52:59 24 The eligibility, I don't recall exactly

11:53:01 25 what O meant in the system. T is -- was targeted.

11:53:05 1 It just kind of drove, again, what was there from
11:53:08 2 an equity perspective if someone would be
11:53:10 3 participating in the program or not.

11:53:12 4 The multiplier was a multiplier off of a
11:53:15 5 base and how we scale grants to increase the
11:53:19 6 grants for higher performance and higher retention
11:53:21 7 employees.

11:53:22 8 Then the next two columns were
11:53:24 9 guidelines around shares and just kind of a base
11:53:27 10 set of guidelines of what we would expect someone
11:53:31 11 to get in those -- those criteria.

11:53:36 12 Q. Okay. I'm not sure if the page that
11:53:42 13 follows is an excerpt from the very last page or
11:53:48 14 these are different things.

11:53:51 15 A. It's similar to what's on the very last
11:53:53 16 page, and so it may have been -- it may have been
11:53:56 17 part of a working product to get to what would end
11:53:59 18 up on that last page. So it's from an Excel file
11:54:02 19 and it was essentially a way to build or manage
11:54:05 20 the targets that got put back into the control
11:54:07 21 table, the nine block control table.

11:54:10 22 This would be the basis for having --
11:54:12 23 having an input document to put those -- those
11:54:16 24 values into the system. And then the last page,
11:54:19 25 the last page is a set of guidelines for what we

11:54:22 1 would expect as focal equity targets for different
11:54:27 2 levels of employees, different compensation
11:54:29 3 levels, and then the groups here tie back to those
11:54:32 4 groups from the control table. This is a document
11:54:38 5 that was used to build the system or to structure
11:54:40 6 values in the system.

11:54:41 7 Q. Okay. So if you were to take -- under
11:54:53 8 the position where it says VP, we'll do the top
11:54:56 9 line.

11:54:58 10 A. Okay.

11:54:58 11 Q. 300,000 plus, what is the 20,000 there?
11:55:01 12 Is that a guideline for the equity grant?

11:55:04 13 A. A target number of stock options that
11:55:06 14 would be granted.

11:55:07 15 Q. Okay. And going over to that middle
11:55:10 16 column where it's I guess California/Massachusetts
11:55:14 17 locations; is that fair?

11:55:16 18 A. Yes.

11:55:16 19 Q. Are the groups corresponding to ratings
11:55:20 20 people are receiving or something different?

11:55:22 21 A. The groups correspond to the combination
11:55:24 22 of a performance rating and a retention rating.

11:55:34 23 Q. So if I'm trying to read that -- that VP
11:55:37 24 level at 300,000, is the guideline that if they
11:55:42 25 are rated a two level, the stock grant would be

11:55:48 1 33,000 as opposed to 20,000?

11:55:50 2 A. Yes.

11:55:51 3 Q. Okay.

11:55:52 4 A. That's correct.

11:56:38 5 Q. Mr. Stubblefield, the document placed in

11:56:39 6 front of you should have a number in the front,

11:56:41 7 Exhibit 1761.

11:56:44 8 Do you see that?

11:56:44 9 A. Yes.

11:56:47 10 Q. If you'll open to the next page of it,

11:56:53 11 it starts what appears to be a PowerPoint, or

11:56:55 12 something like that, a presentation of some sort.

11:56:58 13 Do you recognize what this is?

11:57:01 14 A. So in looking at the presentation, I'm

11:57:04 15 familiar with it. I don't remember the -- I don't

11:57:06 16 know the exact context of how this was used.

11:57:09 17 Q. If you look on the second page, there

11:57:12 18 are page numbers in the lower left corner.

11:57:16 19 A. Yes.

11:57:16 20 Q. Might be helpful.

11:57:18 21 You'll see that there is a date in the

11:57:19 22 middle where it says January 7, 2005.

11:57:22 23 Do you see that?

11:57:23 24 A. Yes.

11:57:24 25 Q. And do you know in this time period who

11:57:26 1 would have created this document?

11:57:29 2 A. I -- I don't know for sure who would

11:57:31 3 have created it.

11:57:32 4 Q. This would have come out of the

11:57:34 5 compensation area presumably; is that correct?

11:57:36 6 A. Yes. Probably.

11:57:53 7 Q. If you could go to page 12 of the

11:57:56 8 document. Do you recognize what this is?

11:58:04 9 A. Yes.

11:58:05 10 Q. And what is this?

11:58:07 11 A. Within Intuit, we provided market

11:58:10 12 reference data to our employees. We were talking

11:58:12 13 earlier about the survey data and how we collect

11:58:15 14 that, so we provide that market reference data.

11:58:17 15 This is a screen shot of an internal tool, a quick

11:58:22 16 base that we use that provides that data or

11:58:25 17 displays that data back for our leaders so that

11:58:28 18 they can use it as a reference point.

11:58:30 19 It's structured by job code, so you see

11:58:33 20 job codes listed down at the bottom. Then it

11:58:35 21 shows three different columns on base pay and then

11:58:38 22 three different columns right -- on the left side

11:58:41 23 and on the far right, three different columns

11:58:44 24 around total target cash, as well as in the middle

11:58:46 25 showing the incentive eligibility they have inside

11:58:48 1 of Intuit and what our typical target incentive is
11:58:52 2 for the role.

11:59:00 3 Q. Is the total target cash column
11:59:02 4 including any equity, or is that purely the base
11:59:07 5 plus bonus?

11:59:07 6 A. It's purely base plus bonus.

11:59:12 7 Q. And was this tool primarily used to
11:59:15 8 provide job offers to external candidates, or was
11:59:18 9 it used for other reasons too?

11:59:21 10 A. This tool is a resource to help managers
11:59:24 11 understand external market perspective and would
11:59:26 12 be used -- could be used as a tool for them to
11:59:29 13 help in a reference point in making an offer,
11:59:32 14 would be used as a reference point in making
11:59:34 15 annual pay decisions as well.

11:59:50 16 Q. Is there a tool that shows a manager
11:59:52 17 what the internal pay is, the high-low for
11:59:58 18 different jobs?

11:59:59 19 A. The compensation team does not provide a
12:00:01 20 tool like that.

12:00:04 21 Q. Do managers have access to what their
12:00:07 22 employees are making that they can look at?

12:00:09 23 A. Managers have access to what their own
12:00:11 24 employees make.

12:00:21 25 Q. If you could please turn to page 18.

12:00:30 1 And it should say "Development Bands:
12:00:33 2 Job Progression on a Career Track."
12:00:36 3 Is that what you're looking at?
12:00:38 4 A. Yes, it is.
12:00:39 5 Q. Can you explain what this is?
12:00:43 6 A. Intuit uses the idea of development
12:00:45 7 bands to help from a learning and development
12:00:47 8 perspective. There are five bands inside the
12:00:50 9 company. They are described on the left side.
12:00:54 10 Each job that we have fits into a band,
12:00:58 11 and so this is just trying to display how, as you
12:01:00 12 move up in the organization or move through
12:01:02 13 different levels of jobs, the -- that does move
12:01:05 14 through our band structure, and also kind of the
12:01:09 15 expectation of the scope, a little bit about the
12:01:11 16 scope and expectation of what would go with those
12:01:14 17 differences in bands.
12:01:16 18 So it was a way -- an attempt and a way
12:01:19 19 to illustrate how someone could grow in their
12:01:21 20 career with the company across different job
12:01:23 21 family or different jobs.
12:01:25 22 Q. And is the expectation that as one moves
12:01:29 23 up in different job families, that there'll be
12:01:35 24 increased opportunity for compensation?
12:01:40 25 A. I think most people have that

12:01:41 1 expectation. And I -- this doesn't necessarily
12:01:46 2 show that there's always progression across levels
12:01:47 3 across our bands because there's some overlap
12:01:50 4 across them. But, yeah, most people would have an
12:01:52 5 expectation that compensation would grow as they
12:01:55 6 move up in the more senior level roles. This does
12:02:02 7 not define a compensation structure.

12:02:12 8 Q. If you go to page 20, please.

12:02:24 9 So this has at the top how Intuit makes
12:02:28 10 decisions about job and compensation. That is
12:02:31 11 what you're looking at?

12:02:32 12 A. Yes.

12:02:32 13 Q. Can you walk me through this process
12:02:35 14 that's described called leveling?

12:02:39 15 A. Sure.

12:02:41 16 So we have -- we have defined levels
12:02:44 17 inside the organization. Jobs fit into levels.
12:02:48 18 We are able to take those and connect them back to
12:02:50 19 the surveys like the Radford Survey. So our
12:02:53 20 levels are not identical to Radford's, but we have
12:02:56 21 our own expectations of the differences in the job
12:02:58 22 levels.

12:02:58 23 And different numbers of levels get used
12:03:00 24 in different job families based on business needs.
12:03:03 25 But we use that to get some level -- some

12:03:05 1 consistency across the organization.
12:03:08 2 We provide that as a basic piece of
12:03:10 3 infrastructure that would help leaders have access
12:03:13 4 to that external market data. So when they're
12:03:17 5 choosing to hire, open a position or promote
12:03:19 6 someone into a role, it gets grounded in that
12:03:22 7 level first and that gives you access to a set of
12:03:24 8 data.

12:03:29 9 Q. And number 3 says "Target mix based on
12:03:33 10 Intuit benchmark profile."

12:03:36 11 What is the Intuit benchmark profile, if
12:03:38 12 you know?

12:03:38 13 A. So we started calling them Intuit
12:03:40 14 benchmark levels or the Intuit benchmark profile
12:03:43 15 as something that's more consistent inside of the
12:03:46 16 organization versus being someone else's level.

12:03:48 17 And so we index it in some respect to
12:03:50 18 the surveys that we participate in so that we can
12:03:52 19 match our jobs to those surveys, but it's not
12:03:55 20 exactly the same as their level. So benchmark
12:03:59 21 kind of being the standard.

12:04:05 22 Q. And then on the right side where it is
12:04:11 23 described as the right compensation management
12:04:14 24 perspective, do you see that?

12:04:15 25 A. Yes.

12:04:16 1 Q. The second bullet point says, "Incentive
12:04:19 2 targets consistent by Intuit job," and that's in
12:04:22 3 quotes.

12:04:23 4 Do you know what that means?

12:04:25 5 A. Yes. We were -- and I'm going to tie it
12:04:29 6 back to the first bullet a little bit because they
12:04:32 7 are connected in this.

12:04:33 8 We were using this as a tool to try to
12:04:35 9 help our hiring managers in making decisions in
12:04:37 10 that Intuit has a strong bonus program, funds the
12:04:40 11 bonus program at a significant level in almost
12:04:43 12 every year. We wanted our leaders to focus on
12:04:46 13 that bonus target and bonus opportunity as much if
12:04:50 14 not more than they focused on salary. Because we
12:04:53 15 were seeing some practices previously where they
12:04:55 16 were just looking at salary and not realizing the
12:04:58 17 value of the bonus.

12:04:59 18 So we wanted to emphasize that the bonus
12:05:02 19 is primary. And because our bonus targets are
12:05:05 20 bigger, you see in the parentheses on the second
12:05:08 21 bullet, our IPI targets are higher than the market
12:05:08 22 on average. We wanted them to remember that if
12:05:11 23 they were make compensation decisions.

12:05:13 24 The job is that job profile which ties
12:05:16 25 back to kind of -- really ties back to the

12:05:19 1 benchmark level inside of Intuit. The benchmark
12:05:23 2 level just defines the bonus target.

12:05:25 3 Q. Okay. And if you could go to 26,
12:05:35 4 please. This pay decision guidelines chart, is
12:05:44 5 this what you would describe as the pay for
12:05:46 6 performance system, that is the pay increases
12:05:52 7 based on performance ratings?

12:05:56 8 A. This was a tool that we gave to try to
12:05:58 9 assist leaders in making the decisions to reflect
12:06:00 10 the pay for performance philosophy.

12:06:14 11 Q. And can you describe for me the -- the
12:06:16 12 last column to the right, the IPI payout range at
12:06:21 13 percent of target. What is that reflecting there?

12:06:24 14 A. The guidelines that were provided based
12:06:26 15 on the performance levels of how much bonus would
12:06:29 16 be paid to employees in those performance levels
12:06:33 17 as a percentage of their target bonus.

12:06:37 18 Q. And do you know why in a couple boxes
12:06:38 19 there's more than one range?

12:06:43 20 A. No.

12:07:01 21 Q. Page 28 has a slide called "Making Stock
12:07:08 22 Option Decisions."

12:07:09 23 Do you see that?

12:07:10 24 A. Yes.

12:07:10 25 Q. The second item on this page says

12:07:12 1 "Retention... 'Risk' Management."

12:07:15 2 Do you see that?

12:07:16 3 A. Yes.

12:07:16 4 Q. You testified a little bit about this

12:07:17 5 earlier. Is this the process by which different

12:07:23 6 employees are rated depending on their role,

12:07:26 7 skill, talent?

12:07:28 8 A. This is an attempt in one bullet to

12:07:32 9 capture the essence of the retention ratings --

12:07:36 10 Q. Okay.

12:07:37 11 A. -- in that first bullet.

12:07:40 12 Q. Do you know if this is going to anything

12:07:42 13 else besides retention ratings? Was there any

12:07:44 14 other process to identify this high talent that

12:07:46 15 was independent of those ratings?

12:07:52 16 A. At different times we've had some

12:07:53 17 different processes that would have identified it.

12:07:55 18 Our expectation was that it was captured in the

12:07:58 19 retention ratings.

12:07:59 20 Q. And what have been those other processes

12:08:02 21 that have existed outside of that?

12:08:04 22 A. There's been different changes in the

12:08:05 23 business as we've had shifts in technology, focus

12:08:08 24 on technology that have led to different ways to

12:08:11 25 think about critical skills or talent.

12:08:14 1 Q. What would be an example of that?

12:08:16 2 A. There was a terminology that was used at

12:08:19 3 one point called cornerstone engineer.

12:08:21 4 Q. And what did that mean?

12:08:23 5 A. Thinking like -- thinking like a

12:08:24 6 building, and the cornerstone is the first block

12:08:27 7 and the strong block that you build the rest of

12:08:29 8 your building around and using -- using that as a

12:08:32 9 identifier for key technical talent that was

12:08:34 10 critical for the future and the direction that we

12:08:36 11 were going, again, with the expectation that they

12:08:39 12 would be captured based on retention ratings,

12:08:41 13 they'd be retention 1s.

12:08:45 14 Q. And when the cornerstone engineer

12:08:52 15 concept was being used, was there a project to go

12:08:56 16 out and identify who were those key engineers in

12:08:59 17 the organization?

12:09:01 18 A. There was an expectation that through

12:09:03 19 the review processes, that those engineers were

12:09:06 20 identified by their respective managers. So it

12:09:09 21 was manager discretion in identifying who that

12:09:12 22 talent was. There was nothing systematic to do

12:09:16 23 this. It was managers looking at their own teams

12:09:18 24 and identifying who they saw as that critical

12:09:20 25 talent.

12:09:20 1 Q. So in connection with the regular review
12:09:23 2 process, managers were trained that they should
12:09:25 3 also be thinking about the cornerstone people
12:09:28 4 within their groups?

12:09:28 5 A. I don't know exactly how we did it
12:09:31 6 specifically.

12:09:33 7 Q. Was the concept that it would be within
12:09:35 8 the regular review process?

12:09:37 9 A. Yes. As part of the normal process that
12:09:38 10 they would be identified, and with the focus that
12:09:42 11 they would be retention 1s and they would be
12:09:44 12 getting rewarded in a way that told them they were
12:09:50 13 key.

12:09:53 14 MS. DERMODY: Should we break for lunch?

12:09:55 15 MR. KIERNAN: Sure. Yeah. That works.

12:09:57 16 THE VIDEOGRAPHER: This is the end of
12:09:57 17 Video Number 2. The time is 12:09 p.m. We are
12:10:00 18 going off the record.

12:10:01 19 (Whereupon, a lunch recess was taken.)

12:10:03 20 AFTERNOON SESSION

01:04:54 21 THE VIDEOGRAPHER: This is the beginning
01:04:55 22 of Video Number 3 in the deposition of
01:04:58 23 Mason Stubblefield. The time is 1:04 p.m. We're
01:05:01 24 back on the record.

01:05:12 25 BY MS. DERMODY:

01:05:14 1 Q. Mr. Stubblefield, the document placed in
01:05:16 2 front of you was previously marked as
01:05:18 3 Exhibit 1760.
01:05:20 4 Do you see that?
01:05:20 5 A. Yes.
01:05:21 6 Q. And if you could turn the page to the
01:05:27 7 cover of this selection of slides or PowerPoint.
01:05:30 8 Do you recognize this document?
01:05:31 9 A. I -- I have seen it before. I don't
01:05:34 10 know the specific context of where it was used,
01:05:36 11 but ...
01:05:37 12 Q. If you look on the second page of the
01:05:38 13 document, again, there's page numbers in the
01:05:40 14 bottom left corner. There's a date in the middle
01:05:43 15 of that page.
01:05:44 16 Do you see that?
01:05:44 17 A. Yes.
01:05:47 18 Q. Do you know at this time period who
01:05:48 19 would have created this document? Would it have
01:05:50 20 been the same people as the document we had marked
01:05:52 21 as 1761?
01:05:55 22 A. I don't know specifically, but likely
01:05:56 23 the same people.
01:06:00 24 Q. Was this a presentation that you
01:06:01 25 attended?

01:06:02 1 A. I'd have to look through more of the

01:06:04 2 document to see.

01:06:05 3 Q. Sure. Go right ahead.

01:06:07 4 A. But it is -- it is probably a

01:06:10 5 presentation that I attended.

01:06:16 6 Yes.

01:06:17 7 Q. And who was this presented to?

01:06:22 8 A. Given the date that's on this document,

01:06:25 9 I'm not really sure who it was presented to. So

01:06:27 10 it's a -- it may actually be an earlier version of

01:06:30 11 what ended up as the other exhibit, so it's very

01:06:34 12 similar content. There's some -- potentially some

01:06:37 13 connection between those two.

01:06:38 14 It was potentially presented within the

01:06:40 15 HR team and probably, you know, potentially

01:06:42 16 presented to managers at some point later. The

01:06:44 17 January date throws me off a bit, because that's

01:06:47 18 earlier than we generally would have done

01:06:49 19 training.

01:06:50 20 Q. Okay. If you turn to page 6, there's a

01:06:55 21 statement at the top, "Compensation's Guiding

01:06:58 22 Principles."

01:06:59 23 Do you see that?

01:07:00 24 A. Yes.

01:07:00 25 Q. The third bullet point says, "Provide

01:07:02 1 equitable, competitive compensation opportunities
01:07:05 2 that attract and retain key talent."

01:07:08 3 Do you see that?

01:07:08 4 A. I see that.

01:07:10 5 Q. Do you know what is intended here by the
01:07:12 6 "equitable, competitive compensation" that's
01:07:14 7 described?

01:07:17 8 A. I don't know specifically what was
01:07:19 9 intended by that.

01:07:19 10 Q. Do you have an understanding of what
01:07:20 11 that means in this context?

01:07:24 12 A. I have a perspective, my perspective of
01:07:26 13 about what I think it might be, but I don't know
01:07:28 14 what was intended when it was written here.

01:07:30 15 Q. Okay. And what was your perspective?

01:07:33 16 A. So my perspective in looking at it is --
01:07:35 17 is, you know -- the intent of finer compensation
01:07:39 18 principles is to provide appropriate compensation
01:07:43 19 that's balancing a number of different factors,
01:07:44 20 one of those being the competitive landscape and
01:07:47 21 what else is happening in the marketplace.

01:07:51 22 Q. And where does the concept of equitable
01:07:54 23 treatment come into play?

01:07:58 24 A. Equitable is not a word that we use a
01:08:00 25 lot, actually, so I don't -- it's -- I don't know

01:08:02 1 the full context of this deck. This may have been
01:08:04 2 an earlier working product of something that ended
01:08:07 3 up being in the other exhibit and was language
01:08:10 4 that evolved over time. We talk much more about
01:08:12 5 appropriate and talk about return on investment.

01:08:15 6 Sometimes equitable has different views,
01:08:19 7 different meanings to different people, and so
01:08:20 8 it's a word we've generally stayed away from. We
01:08:24 9 tend to use the word "appropriate" more often.

01:08:26 10 (Whereupon, Deposition Exhibit 2739
01:08:26 11 was marked for identification.)

01:09:27 12 BY MS. DERMODY:

01:09:28 13 Q. Mr. Stubblefield, the document marked
01:09:29 14 2739 should have an Intuit number below that,
01:09:32 15 -43560. Is that what you're looking at?

01:09:35 16 A. Yes, it is.

01:09:36 17 Q. And if you take a moment to look at this
01:09:37 18 document and see if you recognize it.

01:09:42 19 A. Yes, I do.

01:09:45 20 Q. And what is this?

01:09:47 21 A. This was a document that we used to
01:09:50 22 provide some grounding material, foundational
01:09:54 23 material around the total rewards and pay
01:09:56 24 decisions. So used for our -- people in the HR
01:10:00 25 organization used for new managers in the

01:10:02 1 organization.

01:10:03 2 Q. Okay. And if you --

01:10:08 3 A. And other managers.

01:10:10 4 Q. Okay. And if you look at -- let's see.

01:10:14 5 A couple pages in, there is a date.

01:10:16 6 Do you see that, May 2005?

01:10:18 7 A. Yes.

01:10:19 8 Q. Okay. And does that indicate to you

01:10:20 9 that this was a document that was created in May

01:10:24 10 of 2005?

01:10:28 11 A. I don't know. It says that's when it

01:10:30 12 was created. But it's a time frame around when it

01:10:34 13 was used.

01:10:35 14 Q. And who would have been involved in

01:10:36 15 creating this document?

01:10:39 16 A. I would need to look more through the

01:10:41 17 document to know specifically who would have been

01:10:43 18 included in it.

01:10:44 19 Q. Sure. Take your time.

01:10:54 20 A. It would have been created by various

01:10:57 21 members of the total rewards team. It covers a

01:11:01 22 pretty broad section, really covers the broad base

01:11:02 23 of things from a rewards perspective, so it would

01:11:05 24 have had multiple participants.

01:11:07 25 Q. Would this have been a group that was

01:11:08 1 under your supervision at this time?

01:11:12 2 A. No. It would have been a group under

01:11:15 3 Mr. Grenier's supervision.

01:11:17 4 Q. And would this have been a training or a

01:11:20 5 toolkit that you would have been provided?

01:11:30 6 A. I would have helped produce this, so

01:11:32 7 myself or the group I worked with would have --

01:11:35 8 would have participated in some of the production

01:11:37 9 of this. As a result of that, I would have had a

01:11:38 10 copy of it. But the primary audience for it was

01:11:42 11 other leaders in the organization.

01:12:22 12 Q. So I apologize. I think on mine I don't

01:12:25 13 have page numbers. Does yours have page numbers?

01:12:27 14 A. No, it doesn't.

01:12:28 15 Q. This is going to be very fun, I can

01:12:29 16 tell. Okay.

01:12:50 17 MR. KIERNAN: Each page looks like it

01:12:52 18 has a different -- almost has a different heading.

01:12:57 19 BY MS. DERMODY:

01:12:57 20 Q. So I'm 15 pages into the deck. It says,

01:13:03 21 "Total Rewards Guiding Principles" at the top

01:13:08 22 label of the page.

01:13:09 23 A. Okay.

01:13:10 24 Q. Do you see that?

01:13:11 25 A. This one?

01:13:16 1 Q. There's a list of items here, and the
01:13:19 2 bottom one says, "Internal Equity and Global
01:13:21 3 Consistency."
01:13:23 4 Do you see that?
01:13:23 5 A. Yes, I do.
01:13:24 6 Q. And do you recall conversations about
01:13:29 7 one of the guiding principles of total rewards
01:13:32 8 being internal equity and global consistency?
01:13:37 9 A. I don't recall conversations about that.
01:13:49 10 Q. Do you know who would have created this
01:13:51 11 page in this training?
01:13:52 12 A. I don't know specifically who would have
01:13:54 13 created it, no.
01:13:56 14 Q. Okay. Turn to the next page. So the
01:14:02 15 16th page. It says at the top "Compensation
01:14:05 16 Positioning."
01:14:06 17 Do you see that?
01:14:07 18 A. Yes.
01:14:07 19 Q. Then it says in the box that's towards
01:14:10 20 the bottom, "Market research on three levels," and
01:14:14 21 it lists tech software, financial services and
01:14:17 22 local markets.
01:14:18 23 Do you see that?
01:14:19 24 A. I do.
01:14:20 25 Q. We talked a little bit about the market

01:14:21 1 research earlier.

01:14:25 2 What was the market research that was

01:14:27 3 tech software-specific?

01:14:30 4 A. I'm not sure specifically what the

01:14:32 5 reference would be in -- in this.

01:14:35 6 Q. Using this date as a guide post, do you

01:14:38 7 know what it was generally in 2005?

01:14:42 8 A. What -- I'm not sure I understand your

01:14:43 9 question.

01:14:44 10 Q. What the market research on tech and

01:14:46 11 software would have been?

01:14:48 12 A. Probably would have been the Radford

01:14:49 13 Survey or other -- other salary surveys that we

01:14:52 14 used, and that would be an industry cut or an

01:14:55 15 industry view out of that data.

01:14:58 16 Q. Okay. Cut by tech software?

01:15:00 17 A. Yes.

01:15:03 18 Q. And then for financial services, do you

01:15:06 19 know what market research would have been used in

01:15:10 20 this time frame?

01:15:12 21 A. I'm not sure what that would have been.

01:15:15 22 Q. Okay. And the reference to local

01:15:17 23 markets, do you know what that market research

01:15:20 24 would be?

01:15:20 25 A. I'm not sure specifically what it refers

01:15:22 1 to here. When we talked about salary surveys
01:15:24 2 earlier, we talked about the regional cuts that we
01:15:27 3 look at for the geographic basis. It may be a
01:15:31 4 reference to that.

01:15:44 5 Q. I'm going to try to use as little of
01:15:47 6 this document as possible because it's really hard
01:15:48 7 to use without page numbers, so bear with me. A
01:15:53 8 lot of it is material I believe used in other
01:15:56 9 documents we're looking at.

01:16:06 10 Okay. Of course. So about halfway
01:16:10 11 through the document, there is a page that says
01:16:13 12 "New Hire Guidelines" and it's a chart.

01:16:28 13 A. Okay. I think I'm close.

01:16:43 14 Q. That is exactly the chart, yes. Thank
01:16:46 15 you.

01:16:46 16 A. Okay.

01:16:47 17 Q. Can you describe for me what this
01:16:48 18 reflects?

01:16:52 19 A. This reflects the guidelines that were
01:16:55 20 provided for stock option grants for new hires.
01:16:59 21 It describes different salary levels which would
01:17:02 22 get to different groupings of employees across the
01:17:05 23 company and different categories around
01:17:08 24 eligibility for equity.

01:17:11 25 Q. And this snapshot of the new hire

01:17:16 1 guidelines, is that something that is lifted from
01:17:18 2 an internal database, or was this created just for
01:17:23 3 this training as an exemplar?

01:17:34 4 A. The guidelines would not be created in a
01:17:36 5 database. The guidelines would be created from a
01:17:38 6 program or a practice perspective. They'd be
01:17:40 7 stored in documents like a document that's
01:17:43 8 probably behind this, and this is just a display
01:17:46 9 of that. So there's -- somewhere there's a
01:17:49 10 reference document that was the new hire
01:17:52 11 guidelines, probably in an Excel file or a
01:17:54 12 PowerPoint file, and this is just a snapshot of
01:17:57 13 that, or a picture of it.

01:17:58 14 Q. And the new hire guidelines would
01:18:01 15 include different job codes, different positions?

01:18:07 16 A. This is based on a different -- this is
01:18:10 17 based on a different model. And so this is using
01:18:12 18 salary level as a primary guide, and then the
01:18:15 19 split between the two things. So we looked at a
01:18:19 20 chart earlier that showed our bands. One of those
01:18:23 21 bands is kind of -- is leaders in expert --
01:18:26 22 leaders and expert contributors. That LEC band
01:18:31 23 that describes a group of positions.

01:18:32 24 And then -- and it separates out
01:18:34 25 engineers and IT individual contributors at the

01:18:36 1 top with a higher level of guidelines than others.

01:18:39 2 So there's a little bit of a split but primarily

01:18:42 3 using salary as a split.

01:18:44 4 Q. And, again, this is used for equity; is

01:18:46 5 that right?

01:18:47 6 A. For stock option.

01:19:11 7 Q. If you could turn to the page that has

01:19:13 8 at the top, "What Is Banding?"

01:19:18 9 A. Okay.

01:19:29 10 Q. Let the team catch up.

01:19:32 11 MR. KIERNAN: I'm there.

01:19:33 12 MS. DERMODY: It's a hard document to

01:19:34 13 use. I apologize. It's how it came in the

01:19:36 14 system, so we'll do our best.

01:19:39 15 Q. Do you recognize what the material is on

01:19:40 16 this page?

01:19:46 17 A. Yes.

01:19:48 18 Q. And is this describing how you associate

01:19:53 19 similar jobs within a family?

01:19:59 20 A. It's not as much similar jobs within a

01:20:01 21 family as it is similar levels of jobs across the

01:20:04 22 whole organization. So this ties back to the

01:20:07 23 bands I just mentioned. So the leadership, leader

01:20:10 24 expert contributor is one of those as a band, one

01:20:13 25 of the five bands in the organization. This is

01:20:14 1 trying to define what those bands are.

01:20:18 2 Q. At the bottom of this page there is a

01:20:21 3 statement or a caption that says, "Common base of

01:20:26 4 job summaries and PS-8 titles and bands."

01:20:31 5 Do you see that?

01:20:31 6 A. I do.

01:20:32 7 Q. Do you know what that means?

01:20:33 8 A. No, I don't.

01:20:36 9 Q. Do you know what the PS-8 titles and

01:20:39 10 bands reference is?

01:20:45 11 A. I have a guess of what it is. I think

01:20:46 12 PS8 refers to PeopleSoft 8, which was the HR

01:20:51 13 database that we used at the time and it was a

01:20:53 14 version of software. And the title there is a

01:20:56 15 title that's attached to a job code and how it

01:20:58 16 would be displayed in a system.

01:21:00 17 We've consistently kept a distinction

01:21:03 18 between a systems title and a business card title

01:21:06 19 and not trying to control business card titles and

01:21:08 20 let individuals choose what they want, with their

01:21:12 21 leader's discretion.

01:21:26 22 Q. If I could trouble you to please turn to

01:21:28 23 the page that says "A Ranking Tool to Help the

01:21:31 24 Rationale and Clarity."

01:21:35 25 A. Okay.

01:22:04 1 Okay.

01:22:05 2 Q. Okay. Can you describe what's being

01:22:14 3 represented on this page?

01:22:19 4 A. I'm not sure I could describe

01:22:21 5 specifically what this was trying to illustrate.

01:22:26 6 Q. It lists as item A, performance, and an

01:22:30 7 item B, retention.

01:22:31 8 Do you see that?

01:22:32 9 A. Yes.

01:22:32 10 Q. And then it has a C, which is pay

01:22:35 11 disparities, evaluate exposure, and has a list

01:22:39 12 below it. Same job, performance, skills, et

01:22:42 13 cetera. Is it defensible?

01:22:44 14 Do you see that?

01:22:44 15 A. I do see that.

01:22:45 16 Q. Do you recall any training around

01:22:47 17 looking at pay disparities to evaluate exposure?

01:22:51 18 A. No. I think from a context perspective,

01:22:53 19 you have to take this page and look at the page

01:22:56 20 prior to it.

01:22:56 21 Q. Sure.

01:22:57 22 A. So the page prior to it is talking about

01:22:59 23 processes or tools to help leaders in evaluating

01:23:03 24 decisions or making decisions. And it's about

01:23:04 25 calibrations across an organization. So

01:23:07 1 calibrating on performance, calibrating on

01:23:09 2 retention, looking at the population by similar

01:23:12 3 positions.

01:23:12 4 So it's not appropriate to put an admin

01:23:16 5 and an executive in the same group and calibrate.

01:23:19 6 So getting groups together that way, using ranking

01:23:22 7 tools, which this shows a way to think about

01:23:25 8 ranking. So using those ranking tools just as

01:23:28 9 ways to think about the calibration and get the

01:23:30 10 population into segments.

01:23:32 11 This second page we went to first on its

01:23:35 12 own has no context.

01:23:36 13 Q. Looking at the page before where it says

01:23:38 14 "Assess and Calibrate Across Organization," one of

01:23:41 15 the items on this page says, "Mitigate Legal

01:23:43 16 Risks."

01:23:44 17 Do you see that?

01:23:45 18 A. Yes, I do see that.

01:23:46 19 Q. And is that advising managers to be

01:23:49 20 aware of treating people with the same talent and

01:23:53 21 performance differently depending on EEO

01:23:56 22 characteristics or things like that?

01:23:58 23 A. I don't know specifically what it meant

01:23:59 24 here.

01:24:01 25 Q. What's your understanding of what that

01:24:03 1 means?

01:24:04 2 A. Like I said, I don't know specifically

01:24:05 3 what it meant here, but the example that you

01:24:08 4 provided would be a likely scenario of things that

01:24:11 5 we would want managers to be looking at. Managers

01:24:16 6 don't have access to all that information. Some

01:24:18 7 managers don't know all the EEOC data behind an

01:24:21 8 individual. So they are really looking at based

01:24:23 9 on performance and retention more than anything

01:24:25 10 else.

01:24:26 11 Q. And is there a separate level review,

01:24:28 12 maybe part of your audit or the compensation

01:24:31 13 group's audit, of recommended merit increases

01:24:34 14 where there is some consideration paid to fairness

01:24:38 15 based on EEO characteristics or things like that?

01:24:41 16 A. No.

01:24:44 17 Q. How do you train managers to do what

01:24:48 18 item C instructs about evaluating exposure in

01:24:53 19 determining whether it's defensible?

01:24:56 20 A. We train managers to focus on

01:24:58 21 performance and making pay decisions based on

01:25:02 22 performance.

01:25:04 23 Q. And the prior slide which says to

01:25:05 24 mitigate legal exposure, how do you train managers

01:25:08 25 to do that?

01:25:09 1 A. Like I said, I'm not sure what the
01:25:10 2 context was for this on this slide or this page.
01:25:13 3 We train managers to focus on performance and to
01:25:15 4 make their decisions based on performance.

01:25:18 5 Q. Do you have training that's focused on
01:25:20 6 EEO issues?

01:25:21 7 MR. KIERNAN: Object to form.

01:25:28 8 THE WITNESS: Intuit requires that
01:25:31 9 leaders go through certain training from a legal
01:25:32 10 perspective on a regular basis, so we do have
01:25:36 11 training in a number of different areas.

01:25:39 12 BY MS. DERMODY:

01:25:40 13 Q. And do you have a training that's
01:25:41 14 focused on managing diversity or diverse people?

01:25:46 15 A. We do.

01:25:46 16 Q. And is part of that training focused on
01:25:49 17 ensuring that there is fairness of treatment
01:25:51 18 across different demographic groups?

01:25:59 19 A. The training focuses on managing
01:26:00 20 diversity, focused on inclusion within the
01:26:03 21 workplace.

01:26:05 22 Q. Is there a training that focuses on
01:26:07 23 paying people that have similar talent and similar
01:26:12 24 performance the same inclusive of different
01:26:14 25 demographic groups?

01:26:15 1 A. We don't have any training that focuses
01:26:17 2 on paying anybody the same. All of our focus on
01:26:20 3 training on compensation is paying for
01:26:22 4 performance, and appropriate pay for the person,
01:26:24 5 the skills they bring, and the contribution that
01:26:26 6 they bring. We specifically train not to focus on
01:26:31 7 internal equity in paying people the same.

01:26:32 8 Q. But assuming that you have two people
01:26:34 9 that have the same skill level and are giving the
01:26:38 10 same performance, is the expectation that their
01:26:41 11 pay would be the same?

01:26:43 12 MR. KIERNAN: Object to form.

01:26:44 13 THE WITNESS: No.

01:26:45 14 BY MS. DERMODY:

01:26:45 15 Q. What would be the distinction between
01:26:47 16 those two people?

01:26:49 17 A. There could be a number of different
01:26:50 18 factors that could drive a distinction. We would
01:26:52 19 expect them to be paid comparably or similarly,
01:26:55 20 but we wouldn't expect them to be paid the same.

01:26:58 21 Q. And what might distinguish them in that
01:27:00 22 hypothetical?

01:27:01 23 A. Could be background and experience,
01:27:04 24 could be prior roles, could be a number of
01:27:06 25 different factors of things that they brought with

01:27:09 1 them to the role that the manager believes drives
01:27:12 2 the different value for them today.

01:27:14 3 Q. So if they -- if one of them had more
01:27:16 4 tenure with the company, more knowledge of the
01:27:20 5 job, for example, that would be a distinction?

01:27:21 6 A. We don't focus on tenure with the
01:27:24 7 company as a factor. So someone might have come
01:27:26 8 in with a different background or different
01:27:28 9 experience an individual manager sees as having a
01:27:31 10 different value. It's the manager's discretion in
01:27:33 11 that case. So not something that the company
01:27:36 12 specifically is looking for that should say they
01:27:39 13 should be paid the same.

01:27:40 14 Q. And if the hypothetical is that the
01:27:43 15 people come in straight out of college, same
01:27:45 16 experience, same performance, would the
01:27:47 17 expectation be that they would be paid the same?

01:27:51 18 MR. KIERNAN: Object to form.

01:27:54 19 THE WITNESS: The -- the one area where
01:27:56 20 we have more consistency in pay is with new grads,
01:28:01 21 because they generally have no work experience.
01:28:02 22 And so fairly typical practice is to pay them
01:28:05 23 roughly the same. It starts to differentiate as
01:28:08 24 they have differences in performance.

01:28:09 25 We don't expect everyone in the same

01:28:11 1 performance rating to get the same merit every
01:28:14 2 year. We expect differentiation inside of that.
01:28:19 3 They would probably be paid similarly but not
01:28:20 4 exactly the same.

01:28:26 5 Done with this one?

01:28:27 6 BY MS. DERMODY:

01:28:28 7 Q. Yes. I know, that was so much fun.
01:28:33 8 We'll probably do better with the numbering.

01:30:00 9 (Whereupon, Deposition **Exhibit 2740**
01:30:00 10 was marked for identification.)

01:30:14 11 BY MS. DERMODY:

01:30:14 12 Q. Mr. Stubblefield, the document marked as
01:30:17 13 2740 should have a number on the front, INTUIT
01:30:19 14 -52841.

01:30:22 15 Do you see that?

01:30:22 16 A. Yes, I do.

01:30:23 17 Q. If you could turn to the next page,
01:30:25 18 there's a title page. And feel free to look
01:30:31 19 through the document.

01:30:32 20 Do you recognize seeing this before?

01:30:33 21 A. Yes, I do.

01:30:34 22 Q. Okay. Was this training that you
01:30:37 23 attended?

01:30:40 24 A. Yes.

01:30:41 25 Q. And did you participate in creating the

01:30:43 1 content for this document?

01:30:46 2 A. Yes, I did.

01:30:49 3 Q. And what was your role?

01:30:52 4 A. I would have contributed to different

01:30:54 5 portions of it. So just based on the

01:30:57 6 responsibility I had for the focal decision

01:30:58 7 process, I would have contributed to some of this,

01:31:01 8 some of the content.

01:31:03 9 Q. Okay.

01:31:07 10 A. I also would have presented the content.

01:31:11 11 Q. And who would have received this

01:31:13 12 training?

01:31:15 13 A. This was specifically focused on level 2

01:31:16 14 and level 3 leaders, managers within the

01:31:19 15 organization.

01:31:21 16 Q. And for someone who is not versed in the

01:31:25 17 Intuit vocabulary, what does that mean?

01:31:27 18 A. In this context, level 1 is the CEO,

01:31:31 19 level 2 is his direct reports, level 3 is their

01:31:34 20 direct reports.

01:31:45 21 Q. So at this time, were you considered a

01:31:47 22 level 3 manager?

01:31:51 23 A. No. At this time I would have been

01:31:53 24 level 4 within the organization.

01:31:55 25 Q. So is Mr. Grenier a level 3 at this

01:31:58 1 time?

01:31:59 2 A. Yes.

01:32:14 3 Q. If you turn to page 15 of the document,

01:32:19 4 it should have a caption at the top that says, "6

01:32:22 5 Steps In Making an Effective Pay Decision."

01:32:25 6 Do you see that?

01:32:25 7 A. Yes.

01:32:27 8 Q. And step 1 says "Gather Information..."

01:32:31 9 Do you see that?

01:32:31 10 A. Yes.

01:32:36 11 Q. And it gives a set of examples.

01:32:38 12 "Employee performance history, budget, and any

01:32:41 13 other available and relevant pay information" and

01:32:45 14 has in parentheses, "(internal relativities,

01:32:49 15 market data," et cetera.

01:32:50 16 Do you see that?

01:32:51 17 A. Yes.

01:32:51 18 Q. What are internal relativities?

01:32:54 19 A. In this case, I think it would be them

01:32:56 20 looking at the pay of their own team, so how they

01:32:59 21 pay other individuals.

01:33:04 22 Q. And for what purpose would that be?

01:33:06 23 A. Piece of data. It's an input. Like the

01:33:11 24 others, like market data, like hiring --

01:33:13 25 information they are getting from hiring processes

01:33:15 1 or just anecdotal things they are hearing about
01:33:18 2 what may be happening in the marketplace.

01:33:20 3 Q. Would that be akin to an internal
01:33:22 4 benchmark?

01:33:23 5 A. Benchmark is probably broad. It's a
01:33:27 6 data point.

01:33:34 7 Q. Then step 2 where it says "Assess value,
01:33:37 8 supply and demand," do you see that?

01:33:39 9 A. Yes.

01:33:39 10 Q. The underlying sentence says, "Rank
01:33:41 11 employees by performance, retention and pay
01:33:43 12 equity."

01:33:44 13 Do you see that?

01:33:44 14 A. I do see that.

01:33:45 15 Q. And what does that mean?

01:33:49 16 A. I think it refers back to the page we
01:33:51 17 were -- two pages we were looking at on the other
01:33:53 18 document on the calibration process, looking at
01:33:56 19 employees and calibrating across decisions with
01:33:59 20 the intent to recognize that we're paying for
01:34:02 21 performance.

01:34:03 22 Q. And by "calibrating decisions," does
01:34:05 23 that mean that you're linking equivalent
01:34:09 24 performance to similar pay decisions?

01:34:20 25 A. No. It's looking to make sure there's

01:34:22 1 alignment between performance and pay decisions.

01:34:25 2 It's not trying to get to the same decisions.

01:34:27 3 Q. Okay. What is pay equity as referenced

01:34:31 4 here?

01:34:31 5 A. It's looking for that -- I think it's

01:34:33 6 looking for that relationship between pay and

01:34:36 7 performance in that your highest performing

01:34:38 8 employee should likely be one of your highest paid

01:34:42 9 employees.

01:34:46 10 Q. And what was the ranking process that

01:34:49 11 happened?

01:34:51 12 A. I couldn't say specifically what

01:34:53 13 processes were used. If you go back to the other

01:34:55 14 document where it had a tool, that the page we

01:34:57 15 started looking at that had the two charts, the

01:35:00 16 three different levels in it, that was a

01:35:02 17 suggestion as a way to think about ranking,

01:35:04 18 ranking by performance and by retention.

01:35:07 19 Q. Can you tell me which document you're

01:35:08 20 talking about?

01:35:09 21 A. Sorry. That was the one that's labeled

01:35:11 22 2739.

01:35:31 23 Q. Oh, the page that had those boxes?

01:35:35 24 A. Yes.

01:35:35 25 Q. So you're looking at before what was

01:35:37 1 called ranking tool to help with rationale and
01:35:40 2 clarity?

01:35:41 3 A. Yes. So that with the page in front of
01:35:42 4 it on calibration.

01:35:53 5 MR. KIERNAN: Kelly, if it's helpful,
01:35:55 6 it's also in this -- it's also in the current
01:35:58 7 exhibit.

01:35:59 8 MS. DERMODY: Oh, please tell me where.
01:36:00 9 That would be much --

01:36:02 10 MR. KIERNAN: 2740. And it has page
01:36:03 11 numbers. So it's page 20 and 21.

01:36:10 12 MS. DERMODY: Bless you, Mr. Kiernan.

01:36:16 13 MR. KIERNAN: I don't want to go back to
01:36:18 14 that other document because of the length.

01:36:20 15 MS. DERMODY: Yes. Yes. Hard to use.
01:36:21 16 Great.

01:36:22 17 Q. So in Exhibit 2740 on page 21, is this
01:36:27 18 the chart that you were referencing?

01:36:33 19 A. Yes.

01:36:33 20 Q. And how does the ranking work using this
01:36:35 21 chart on page 21?

01:36:41 22 A. This was intended to be -- there's a
01:36:43 23 tool to help leaders in comparing decisions,
01:36:45 24 evaluating their decisions to make sure that they
01:36:47 25 are rewarding performance appropriately. There

01:36:49 1 wasn't a systematic ranking process across the
01:36:53 2 organization, so individual managers would choose
01:36:55 3 to use -- could choose to use this or not.

01:37:03 4 Q. And was the concept that if you had
01:37:07 5 listed here 30 employees, you would attempt to
01:37:13 6 break into 1, 2 and 3, those 30 employees, with at
01:37:18 7 least the top group being 1 and the bottom group
01:37:21 8 being 3?

01:37:24 9 A. If I understand your question, I think
01:37:25 10 so. So if you just put them in broad categories,
01:37:28 11 yes. Yeah.

01:37:30 12 Q. Okay. If you turn to page 23, there's a
01:37:44 13 page that's called "Actions that Raise Eyebrows."
01:37:48 14 A. Yes.
01:37:50 15 Q. And it says in the very first bullet,
01:37:51 16 "Exceptions, multiple actions... the right
01:37:55 17 rationale."
01:37:56 18 Do you see that?
01:37:56 19 A. Yes.
01:37:56 20 Q. And what is your understanding of what
01:37:58 21 that means?
01:38:02 22 A. As managers are making decisions in this
01:38:04 23 process, there's -- there's a number of decisions
01:38:06 24 that they can make.
01:38:08 25 We provide guidelines or recommendations

01:38:10 1 of what merit increases would look like for
01:38:12 2 different levels of performance. An exception
01:38:15 3 would be something that falls outside of those
01:38:17 4 guidelines. Either too high or too low. That's
01:38:20 5 going to attract attention. The idea or raising
01:38:23 6 eyebrows, we're going to look at those to make
01:38:25 7 sure that there's a reasonable explanation for it.
01:38:28 8 And there many times is a plausible reason why
01:38:30 9 something should happen outside of our guidelines.
01:38:33 10 The multiple actions refers to a couple
01:38:35 11 of things in that it -- during this time period,
01:38:40 12 we had the opportunity for managers to make a
01:38:41 13 decision to do a merit increase in a merit lump
01:38:45 14 sum. The merit lump sum is a bonus instead of
01:38:48 15 increasing the pay. The combination of a merit
01:38:50 16 increase and a merit lump sum doesn't make much
01:38:53 17 sense. So it would be things like that if you're
01:38:55 18 doing things that felt inconsistent.
01:38:56 19 It's also probably looking at just kind
01:39:00 20 the broader decisions of a merit increase and a
01:39:02 21 promotional increase for someone or an adjustment
01:39:04 22 for someone, and what's the combination of those
01:39:07 23 activities and do they all make sense based on
01:39:09 24 performance and contributions of the employee.
01:39:11 25 Q. Okay. On page 33, there is a caption at

01:39:19 1 the top, "A Reminder...Role of Manager - New
01:39:22 2 Hires."

01:39:23 3 Do you see that?

01:39:24 4 A. Yes. Yes.

01:39:26 5 Q. And then it says under the first --
01:39:30 6 under the bullet, "Pivotal in the Process," the
01:39:34 7 first bullet, "Recommend grants based on
01:39:36 8 competitive market needs case-by-case... however,
01:39:38 9 always initiate offers from the lower end of
01:39:41 10 guidelines."

01:39:42 11 A. Yes.

01:39:42 12 Q. Do you see that?

01:39:43 13 A. Yes.

01:39:43 14 Q. And what is this about? Do you know?

01:39:46 15 A. So this is specifically referring to the
01:39:48 16 role of a new hire, or a manager of a new hire so
01:39:51 17 when we were hiring someone into the organization,
01:39:53 18 we had made a shift around this time period of
01:39:55 19 moving away from granting stock options to
01:39:58 20 everyone that we hired to becoming more selective.

01:40:01 21 We looked in one of the exhibits earlier
01:40:04 22 of the new hire guidelines on equity. So this
01:40:07 23 would be referring to using -- using equity only
01:40:10 24 where you need it, so not assuming anymore that
01:40:12 25 everyone is going to get equity just because they

01:41:31 1 Do you see that?

01:41:31 2 A. Yes.

01:41:32 3 Q. And where do those status items come

01:41:36 4 from? Who was the decision maker?

01:41:39 5 A. It's -- it's a status from a process

01:41:42 6 perspective, not from a decision perspective. So

01:41:45 7 this whole section of material was training

01:41:48 8 material on using the system. And this is trying

01:41:51 9 to help managers understand how to navigate within

01:41:55 10 the system.

01:41:56 11 Where you see the statuses labeled, over

01:41:59 12 on the far left column, you'll also see a thing, a

01:42:01 13 label. If it's there it says "down org" or it's

01:42:04 14 blank. When it says "down org," it means that the

01:42:08 15 name next to it has subordinate employees.

01:42:11 16 And the "submitted," "rejected,"

01:42:13 17 "pending" or "accepted" tells you the status of

01:42:16 18 the decisions below them. So had they been

01:42:19 19 accepted -- have they been submitted by that

01:42:21 20 manager; were they submitted and then rejected by

01:42:24 21 the more senior level manager; are they still in

01:42:27 22 process, which would be pending; or have they been

01:42:29 23 submitted and were approved and accepted by the

01:42:31 24 more senior manager.

01:42:36 25 Q. And then let's just take an example

01:42:38 1 here. Blue Sky is one of the -- the names listed.

01:42:45 2 There's a performance rating of 3 and a retention

01:42:47 3 code of 1 and a base salary with a 10 percent

01:42:52 4 raise. The rejected that's listed here, your

01:42:57 5 understanding is that's not that that

01:43:00 6 recommendation right there is rejected?

01:43:02 7 A. It has nothing to do with that

01:43:03 8 recommendation at all. It's all about the

01:43:05 9 decisions that Blue Sky made for the employees

01:43:08 10 below Blue Sky. And this is just made up data

01:43:14 11 that we use for training purposes. This is not

01:43:16 12 real data.

01:43:18 13 Q. There isn't a Blue Sky?

01:43:20 14 A. There might be. But all the numbers,

01:43:22 15 everything else is just made up for demonstration

01:43:26 16 purposes.

01:43:27 17 Q. Okay. If you turn to 45, please.

01:43:43 18 A. Mh-hmm.

01:43:50 19 Q. It should say, "Recommend a Merit

01:43:51 20 Increase - Salaried Employee."

01:43:54 21 Do you see that?

01:43:55 22 A. Yes.

01:43:55 23 Q. Is this another tool that's available

01:43:57 24 online for managers to come up with a proposed

01:44:01 25 salary recommendation?

01:44:02 1 A. This is part of the same tool, so this
01:44:04 2 is still part of the instructions for a manager on
01:44:07 3 how to use the system.
01:44:10 4 Q. And on this representation you'll see
01:44:14 5 within the chart under 1.B, "Merit Increase,
01:44:18 6 Increase Range: Min 5.0% Max 10.0 %."
01:44:23 7 Do you see that?
01:44:24 8 A. Yes.
01:44:24 9 Q. Was that typically provided within this
01:44:26 10 tool for the merit increase decisions?
01:44:32 11 A. This tool provided that reference
01:44:35 12 information based on a performance rating.
01:44:37 13 Q. So there would be a performance rating,
01:44:39 14 and then that would generate that recommendation?
01:44:46 15 A. Yes. Yeah. So in one of the earlier
01:44:48 16 documents, we looked at some things that were
01:44:49 17 labeled as control tables. This is where control
01:44:52 18 table values come back out. Based on a
01:44:55 19 combination of values, this is what got displayed.
01:44:57 20 So this process started -- if we go back
01:45:00 21 to the earlier pieces of this section, the process
01:45:03 22 starts with entering a performance rating, and
01:45:05 23 then based on the performance rating, it gives you
01:45:07 24 the guidelines that were set up for the merit
01:45:10 25 increase based on that performance.

01:46:42 1 Q. What does that mean?

01:46:43 2 A. This ties right back to that control

01:46:45 3 table we looked at earlier. We looked at one of

01:46:47 4 the earlier documents where you had questions

01:46:49 5 about the grids in the charts in the table. It

01:46:51 6 had the group numbers that was the combination of

01:46:53 7 performance rating and retention code that drives

01:46:55 8 the eligibility or the recommendation from a stock

01:46:59 9 option perspective.

01:47:00 10 Q. So when you were talking about, in a

01:47:05 11 previous slide, there being -- I think it was just

01:47:08 12 the cover page of this, the level 2 and 3

01:47:11 13 managers, is that different than the group number

01:47:15 14 2, 3 or 4?

01:47:16 15 A. Very, very different.

01:47:18 16 Q. Okay.

01:47:18 17 A. Yes.

01:47:20 18 Q. So the group number 2, 3 or 4, could

01:47:22 19 that cut across anyone in the organization?

01:47:24 20 A. The group number did, you know, does cut

01:47:27 21 across -- did cut across anyone in the

01:47:29 22 organization, everyone in the organization. It

01:47:30 23 was based on their individual performance rating,

01:47:33 24 their individual retention rating. That

01:47:35 25 combination would always give you the same group

01:47:37 1 number to identify where an employee would fit
01:47:40 2 against our guidelines, but not the same as
01:47:42 3 levels.

01:47:42 4 Q. Okay. And if you could please go to 64.
01:47:52 5 It should say "Stock Tool - Recommend Options."
01:47:55 6 Do you see that?
01:47:55 7 A. Yes.
01:47:56 8 Q. And then it has on the right side,
01:47:58 9 "Stock Modeling" and has performance rating and
01:48:02 10 retention code, I guess drop downs.
01:48:08 11 Do you see that?
01:48:08 12 A. Yes.
01:48:09 13 Q. Is this a tool where a manager can
01:48:10 14 insert what the rating was for a particular
01:48:13 15 employee and what her retention code was and then
01:48:18 16 press calculate to come up with a recommended
01:48:21 17 guideline for stock?
01:48:22 18 A. Yes. It was a way for the manager to
01:48:25 19 model if the performance rating was different,
01:48:28 20 what would it do to equity. One of the challenges
01:48:30 21 we had in the organization was we have employees
01:48:32 22 that get promoted during the year. When they get
01:48:35 23 promoted and they move into a new-level job,
01:48:38 24 sometimes their -- most times their performance
01:48:40 25 changes. They might have been outstanding before.

01:48:43 1 Now they are strong. Where they might have been a
01:48:44 2 1, now they're a 2. Against the ratings that were
01:48:46 3 used at this point, this gave them a way to look
01:48:48 4 at what would their equity have been if they had
01:48:52 5 still been rated at a higher level.

01:48:55 6 Q. Okay.

01:48:55 7 (Whereupon, Deposition Exhibit 2741
01:48:55 8 was marked for identification.)

01:49:28 9 BY MS. DERMODY:

01:49:29 10 Q. Mr. Stubblefield, the document marked as
01:49:32 11 2741 should have that Intuit number -53146.

01:49:36 12 Do you see that?

01:49:37 13 A. Yes, I do.

01:49:39 14 Q. And is this an e-mail to you from -- is
01:49:42 15 it Ms. Grafil?

01:49:43 16 A. Yes.

01:49:48 17 Q. And do you recall there being a
01:49:51 18 discussion with Ms. Grafil about competitive
01:49:53 19 salary for strategy positions?

01:49:58 20 A. I don't recall a specific conversation.

01:50:01 21 Q. If you look through the document, does
01:50:03 22 it refresh your recollection about this exchange
01:50:07 23 you were having with her?

01:50:15 24 A. This was seven years ago. I don't
01:50:18 25 recall the specific conversation.

01:50:25 1 Q. Do you have an understanding of what the
01:50:27 2 attachments are reflecting?

01:50:33 3 A. It's reflecting two things. So on the
01:50:37 4 what I guess I would think of as page 2 in this,
01:50:40 5 so the page that says, "Intuit strategy
01:50:43 6 positions," this is a list of the positions that
01:50:46 7 Intuit had for those roles.

01:50:48 8 So the titles, the job codes listed next
01:50:50 9 to those, the salary range guidelines, this is
01:50:53 10 really not a salary range guideline. It's the
01:50:56 11 market reference data. Intuit does not have
01:50:58 12 salary ranges. So this would be polling from a
01:51:01 13 quick base in the market reference data that we
01:51:03 14 have, shows the IPI target that's attached to the
01:51:05 15 job, what that would look like from a total comp
01:51:08 16 perspective, what we would typically provide as
01:51:11 17 stock options for someone coming into the
01:51:13 18 organization in that role, and then the last
01:51:14 19 column is a reference to how they have budgeted
01:51:16 20 for the positions.

01:51:18 21 The third page is some data that she had
01:51:21 22 collected from outside conversations with her
01:51:24 23 recruiting firm on how some of the organizations
01:51:26 24 that we might be recruiting from were paying
01:51:29 25 similar positions.

01:55:06 1 the cover page INTUIT -54116.

01:55:10 2 Do you see that?

01:55:10 3 A. Yes.

01:55:13 4 Q. And if you look through this document,

01:55:14 5 do you recognize what this is?

01:55:17 6 A. Yes.

01:55:18 7 Q. And what is this?

01:55:20 8 A. This is new hire stock -- stock

01:55:22 9 guidelines.

01:55:24 10 Q. Similar to what we've looked at before?

01:55:26 11 A. Similar to what we've looked at before,

01:55:28 12 this is specific to fiscal year '7.

01:55:30 13 Q. Okay. And did you have guidelines like

01:55:32 14 this every year?

01:55:33 15 A. Yes.

01:55:33 16 (Whereupon, Deposition Exhibit 2743

01:55:33 17 was marked for identification.)

01:56:37 18 BY MS. DERMODY:

01:56:37 19 Q. Mr. Stubblefield, the document marked as

01:56:39 20 2743 should have INTUIT -41933 in the front.

01:56:43 21 Do you see that?

01:56:44 22 A. Yes.

01:56:47 23 Q. Is this an e-mail from Ms. Hall to

01:56:50 24 several people CC'ing you?

01:56:53 25 A. Yes.

01:56:57 1 Q. And do you recall having a discussion
01:56:58 2 about the program manager job family?
01:57:09 3 A. Yes.
01:57:09 4 Q. And what was that about?
01:57:16 5 A. Essentially came down to some questions
01:57:18 6 about how the program management job family was
01:57:20 7 being viewed inside the company and whether or not
01:57:22 8 they were product development jobs or -- you know,
01:57:25 9 if they were product development jobs.
01:57:37 10 Q. And as indicated in the middle of the
01:57:39 11 first page under "Offering Program Manager Job
01:57:42 12 Profiles," that paragraph says in the middle:
01:57:47 13 "After some competitive
01:57:49 14 analysis and cleanup to better
01:57:52 15 distinguish manager roles from
01:57:53 16 individual contributor roles,
01:57:55 17 these jobs, along with many
01:57:56 18 others, were moved to an
01:57:57 19 individual contributor category
01:57:58 20 for equity calculations in 2008."
01:58:01 21 Q. Do you see that?
01:58:02 22 A. Yes.
01:58:02 23 Q. And was this one of those groups that
01:58:05 24 had an additional equity consideration that was
01:58:11 25 outside the normal attention in the annual

01:58:15 1 process?

01:58:17 2 MR. KIERNAN: Object to form.

01:58:18 3 THE WITNESS: Sorry.

01:58:19 4 No.

01:58:19 5 BY MS. DERMODY:

01:58:20 6 Q. What was this?

01:58:26 7 A. During the -- the talent and pay

01:58:29 8 process, during the focal review process, part of

01:58:31 9 the decisions that get made around equity, there's

01:58:34 10 a set of guidelines we've looked at in some of the

01:58:36 11 other documents around the equity of the groups

01:58:38 12 for equity and their performance and retention

01:58:40 13 categor- -- ratings driving that group.

01:58:42 14 That group also got connected to how the

01:58:46 15 position was viewed and was it viewed as a product

01:58:48 16 development job or a technical job or an other

01:58:51 17 job.

01:58:52 18 We had higher equity guidelines for the

01:58:54 19 technical or product development jobs than we did

01:58:56 20 for other jobs. This group felt like they had not

01:58:59 21 been given the same equity that they had in the

01:59:01 22 past and that they thought they should be treated

01:59:04 23 like technical jobs and not other jobs, so they

01:59:06 24 raised some questions and this was a response to

01:59:08 25 that.

01:59:34 1 Q. On the same first page here, there is a
01:59:38 2 bold statement, "Some important points," and the
01:59:41 3 second of these is "PD vs. non-PD jobs."
01:59:46 4 Do you see that?
01:59:46 5 A. Yes.
01:59:47 6 Q. And what are -- what are PD versus
01:59:49 7 non-PD?
01:59:50 8 A. What I was just trying to describe,
01:59:52 9 product development versus non-product
01:59:54 10 development.
01:59:55 11 Q. And the second bullet says, "It is the
01:59:57 12 role that qualifies for the PD equity
02:00:00 13 calculations, not the person."
02:00:02 14 Do you see that?
02:00:02 15 A. Yes.
02:00:03 16 Q. And what does that mean?
02:00:04 17 A. When we make program decisions, we make
02:00:07 18 them on a broader category basis. We don't make
02:00:10 19 those program decisions on an individual basis.
02:00:13 20 It would be almost impossible to administer if we
02:00:15 21 did.
02:00:15 22 And so we look and say a job generally
02:00:18 23 requires the engineering degree or generally does
02:00:20 24 not require the engineering degree. We don't look
02:00:23 25 to say does this individual have the degree so

02:00:25 1 they get treated this way. They might have a
02:00:27 2 degree but we might not require it, so it's not
02:00:30 3 valued.

02:00:32 4 Q. Got it.

02:00:38 5 We've been going about an hour. Should
02:00:40 6 we take a break?

02:00:41 7 MR. KIERNAN: Oh, yeah. Time flies.

02:00:44 8 THE VIDEOGRAPHER: This is the end of

02:00:45 9 Video Number 3. The time is 2:00 p.m. We are

02:00:48 10 going off the record.

02:01:00 11 (Whereupon, a recess was taken.)

02:01:00 12 (Whereupon, Deposition Exhibit 2744

02:01:00 13 was marked for identification.)

02:20:04 14 THE VIDEOGRAPHER: This is the beginning

02:20:05 15 of Video Number 4 in the deposition of

02:20:08 16 Mason Stubblefield. The time is 2:20 p.m. We're

02:20:12 17 back on the record.

02:20:15 18 BY MS. DERMODY:

02:20:15 19 Q. And did the witness get passed 5 --

02:20:19 20 2744.

02:20:21 21 A. Yes.

02:20:22 22 Q. That should be in front of you. Let me

02:20:24 23 pass these.

02:20:29 24 Mr. Stubblefield, this document that was

02:20:30 25 marked as Exhibit 2744 should have that Intuit

02:20:33 1 number on the front, 52826.

02:20:36 2 Do you see that?

02:20:36 3 A. Yes, I do.

02:20:38 4 Q. And if you turn to the next page, which

02:20:39 5 is the caption page of this document, your name is

02:20:45 6 in the middle of it.

02:20:46 7 A. Yes.

02:20:47 8 Q. Is this a document that you prepared?

02:20:49 9 A. Yes, it is.

02:20:50 10 Q. And who was this prepared for?

02:20:54 11 A. This was prepared for our talent

02:20:56 12 acquisition team.

02:20:59 13 Q. And was that the recruiting group?

02:21:01 14 A. Yes.

02:21:02 15 Q. Okay. And what was the purpose of this

02:21:06 16 presentation?

02:21:09 17 A. This was trying to help them in ways we

02:21:15 18 wanted them to think about decisions that they

02:21:18 19 make as they were helping managers bring talent

02:21:20 20 into the organization from a rewards perspective.

02:21:24 21 Q. If you turn to page 3 of this

02:21:26 22 document --

02:21:27 23 A. Yes.

02:21:27 24 Q. -- it says at the top "INTU Benchmark

02:21:31 25 Levels: Purpose."

02:21:33 1 Do you see that?

02:21:34 2 A. Yes.

02:21:34 3 Q. And what was the INTU benchmark level?

02:21:40 4 Was that, again, the external market or is it

02:21:42 5 something else here?

02:21:44 6 A. This is internal. So INTU is our stock

02:21:46 7 symbol. Working in equity comp, I tend to

02:21:47 8 abbreviate Intuit in the stock symbol instead of

02:21:50 9 writing it out. So this is a reference to Intuit.

02:21:53 10 We introduced a new framework around job

02:21:56 11 levels. We talked earlier about job architecture

02:21:59 12 in the levels that we used. This was trying to

02:22:01 13 help them get grounded in the way those levels

02:22:04 14 were built and the purpose of the levels.

02:22:08 15 Q. And the third bullet, which says

02:22:10 16 "Provides consistency within levels across job

02:22:14 17 families," do you see that?

02:22:15 18 A. Yes.

02:22:15 19 Q. What is that describing here?

02:22:17 20 A. That the scope and expectations of jobs

02:22:20 21 would be consistent by level. And so with

02:22:24 22 software engineers or finance -- financial

02:22:27 23 analysts or accountants at a level 1 or level 2 or

02:22:31 24 level 3, the basic scope of expectations in those

02:22:33 25 jobs would be consistent while the specific

02:22:35 1 aspects of the job would be different based on the
02:22:37 2 discipline.

02:22:44 3 Q. If you turn to the next page, page 4 --

02:22:46 4 A. Yes.

02:22:46 5 Q. -- which says "INTU Benchmark Levels" at
02:22:50 6 the top.

02:22:55 7 The second bullet says, "Levels have
02:22:58 8 been defined within each of these categories," and
02:23:00 9 then it lists the categories.

02:23:04 10 Can you describe what this is?

02:23:05 11 A. So it starts with the top bullet in that
02:23:07 12 we divided jobs into three basic categories of
02:23:10 13 they're either -- they were nonexempt individual
02:23:13 14 contributor roles, exempt individual contributor
02:23:16 15 roles, or they were managers, and then we defined
02:23:18 16 levels inside of each of those categories.

02:23:20 17 At this time we defined three levels of
02:23:22 18 job as nonexempt individual contributor jobs. We
02:23:24 19 had five levels of exempt individual contributor
02:23:27 20 and four levels of managers, including our
02:23:29 21 director level roles.

02:23:30 22 Q. And was this, again, for equity
02:23:34 23 determinations?

02:23:36 24 A. Equity meaning what?

02:23:37 25 Q. Stock.

02:23:38 1 A. No.

02:23:39 2 Q. This is for everything?

02:23:40 3 A. This was for job leveling purposes and

02:23:45 4 it did not -- levels didn't tie -- levels don't

02:23:50 5 tie directly to compensation, other than to

02:23:52 6 incentive target eligibility or the incentive

02:23:55 7 target associated with the job. It's a tool to

02:23:58 8 help us match our jobs to the market more

02:24:00 9 effectively.

02:24:00 10 So our levels are similar to, mapped,

02:24:05 11 easily mapped to survey job levels so that when we

02:24:08 12 pull market reference data in, we know we're

02:24:11 13 looking at like jobs.

02:24:13 14 Q. The fourth bullet on the same page says

02:24:14 15 "IPI targets based INTU 2 benchmark level."

02:24:18 16 Do you see that?

02:24:19 17 A. Yes. Yes.

02:24:19 18 Q. And what does that mean?

02:24:20 19 A. IPI is Intuit performance incentive.

02:24:23 20 It's essentially the company-wide bonus plan that

02:24:25 21 employees participate in if they're not on a sales

02:24:28 22 plan or a customer care plan. The bonus target

02:24:32 23 for a job is based on that level so that there's

02:24:34 24 consistency across the organization based on scope

02:24:37 25 of jobs, but they have the same bonus opportunity

02:24:40 1 at target.

02:24:45 2 (Whereupon, Deposition Exhibit 2745

02:24:45 3 was marked for identification.)

02:25:10 4 BY MS. DERMODY:

02:25:17 5 Q. The document marked as 2745 should have

02:25:19 6 that number on the front -50015.

02:25:22 7 Do you see that?

02:25:23 8 A. I do.

02:25:26 9 Q. If you open this document to the first

02:25:27 10 page, it has the title page and the next page has

02:25:31 11 a date on it.

02:25:33 12 Do you see those pages?

02:25:34 13 A. Yes, I do.

02:25:36 14 Q. And is this a document that you recall

02:25:39 15 seeing?

02:25:43 16 A. Yes, it is.

02:25:44 17 Q. And would this have been a document that

02:25:46 18 was produced in part in your area at this time?

02:25:52 19 A. Yes, it is.

02:25:57 20 Q. And was this a training for managers?

02:26:03 21 A. It would have been for training probably

02:26:04 22 for managers and maybe for HR business partners.

02:26:08 23 Q. Okay. If you turn to -- oh, dear, it's

02:26:14 24 another one of these documents without page

02:26:16 25 numbers. If you turn about midway through the

1 I, Kathleen A. Wilkins, Certified
2 Shorthand Reporter licensed in the State of
3 California, License No. 10068, hereby certify that
4 the deponent was by me first duly sworn and the
5 foregoing testimony was reported by me and was
6 thereafter transcribed with computer-aided
7 transcription; that the foregoing is a full,
8 complete and true record of said proceedings.

9 I further certify that I am not of
10 counsel or attorney for either of any of the
11 parties in the foregoing proceeding and caption
12 named or in any way interested in the outcome of
13 the cause in said caption.

14 The dismantling, unsealing, or unbinding
15 of the original transcript will render the
16 reporter's Certificates null and void.

17 In witness whereof, I have hereunto set
18 my hand this day: April 4, 2013.

19 ____x____ Reading and Signing was requested.

20 _____ Reading and Signing was waived.

21 _____ Reading and signing was not requested.

22 _____

23 KATHLEEN A. WILKINS

24 CSR 10068, RPR-RMR-CRR-CCRR-CLR

25